

an annual rate of 16 percent, reaching a cost of \$45 billion in six years for Medicaid and SSI alone. Even with welfare reform this picture may not change much. A historic tide of naturalizations has guaranteed that noncitizen welfare dependence will simply continue as citizen dependence. (Until recently, citizen usage of SSI was declining.) Furthermore about 40 percent of recent growth is in humanitarian categories which are not affected by the reforms.

Few images have captured the imagination of opinion-shapers like that of elderly immigrants losing their welfare benefits. Molly Ivins, in a typical piece about elderly immigrants and SSI, writes about those who "worked hard, paid their taxes . . . now talking about committing suicide. Just what we always wanted to do: drive a bunch of retired Japanese gardeners and 80-year-old Hispanics whose backs are bent from years of field work to commit suicide." For the record, most noncitizen users of SSI are not Hispanic, and Japanese comprise less than *half a percent* of noncitizen users. Moreover, any legal immigrant who has lived in America for five years, which would cover virtually all current noncitizen users of SSI, need only endure the indignity of a dumbed-down citizenship procedure to continue receiving benefits without interruption.

The profile of those who have contributed most to recent growth in immigrant SSI usage is very nearly the opposite of that propagated by the "imaginings" of the national media—that is, they are *recent arrivals* who have not worked in the United States. Between 1992 and 1994 about 165,605 immigrants arrived from the former Soviet Union, currently the second largest source of immigration to the United States. Over 12 percent of these were 65 or over upon arrival, an additional 10 percent were between the ages of 55 and 64. Virtually all of the elderly and near-elderly arrived as refugees. Since the retirement age in their homeland is 55 for women and 60 for men, many of these "think of themselves as pensioners at an earlier age than would be customary in the U.S.," according to the U.S. Office of Refugee Resettlement.

Not surprisingly, former Soviets have zoomed to second place among noncitizen users of SSI. With their usage growing at a rate of 33 percent a year, they will overtake Mexicans within four years, an astonishing feat considering that large-

scale migration from the former Soviet Union began only eight years ago. Following the former Soviets in order of SSI usage are Cubans and Vietnamese, both admitted in humanitarian categories.

A 1995 Health and Human Services study of refugees who arrived in the preceding five years (about 620,000) found 61 percent of the group to be receiving Food Stamps and about half to be Medicaid recipients. About half of the refugee households in the five-year group receive cash assistance through AFDC, SSI, or local General Assistance in spite of the fact that the majority are joining family members who settled in previous waves. About 21 percent of families have one or more members receiving cash assistance through SSI.

Given the hysteria roused by the modest commitment now being asked of those who immigrate to the United States, it is understandable that lawmakers would rather avoid the added accusation that the reforms are being "carried out on the backs of poor refugees." And if it is to be meaningful and fair, welfare reform must be part of a complete overhaul of the federal government's obligation to the individual. Obviously other beneficiaries of government largesse must eventually do their part to achieve that realignment. But even welfare reform, the smallest and presumably the easiest of the "personal responsibility" reforms, will stop dead on the day Americans are pushed off the dole to make room for foreign nationals.

Don Barnett writes from Brentwood, Tennessee.

ECONOMICS

The Earth Belongs to the Living

by William J. Quirk

The President and Congress have both promised us a balanced budget in the year 2002. The debt, at that time, will be somewhere between six and seven trillion dollars, which, assuming a seven percent interest rate, will cost close to \$450 billion a year in interest. Each

year, every year, forever. Is it plausible to think the new generation will pick up that perpetual burden? How can the country equitably deal the debt burden?

Debt can only be disposed of in five ways: one, by paying it off; two, by repudiating it; three, by inflation—which is a veiled repudiation; four, by conquering the creditor to cancel the debt or conquering a third party to seize sufficient wealth to pay off the debt; or, five, by large real growth which makes the debt service a smaller share of a growing pie. If large real growth is unlikely, and conquest unpalatable, only the first three methods are available. The classic approach is inflation. The United States, since the Vietnam War, has used consistent inflation, usually around three percent, to reduce our debt. Inflation can be a successful method if no new debt is incurred, but continuing large deficits, and the new borrowing to cover them, have overwhelmed the tactic.

The Founders, other than Hamilton, believed that a perpetual debt was incompatible with self-rule, since the current generation cannot be asked to pay for decisions they did not make. Thomas Jefferson, during his term, reduced the national debt by one-third despite paying cash to Napoleon for Louisiana. "If we go to war now," Jefferson wrote to James Monroe in 1805, "I fear we may renounce forever the hope of seeing an end of our national debt. If we can keep at peace eight years longer, our income, liberated from debt, will be adequate to any war, without new taxes or loans, and our position and increasing strength put us *hors d'insulte* from any nation." Jefferson, in 1804, listed cutting taxes, cutting expenses, and reducing the national debt as the highest accomplishment of his first term: "To do without a land tax, excise, stamp tax, and the other internal taxes, to supply their places by economies so as still to support the government properly and to apply \$7,300,000 a year steadily to the payment of the public debt." Jefferson foresaw that a debt policy, such as Hamilton fostered, would be complicated and promote the centralization of power. Jefferson wrote James Madison in 1796 that "the accounts of the United States ought to be, and may be, made as simple as those of a common farmer, and capable of being understood by common farmers." Things did not turn out as Jefferson hoped.

Our economists, unlike Jefferson, fail

to distinguish between private borrowing and public borrowing: they think the issue is whether the annual income stream (tax revenues) is able to support the annual interest cost. But the real issue is whether a \$450 billion annual charge—with no return—is socially and politically sustainable. Does anyone think a 20-year-old earning \$10 an hour, or \$20,000 a year, can afford to pay \$4,234 in federal and state income tax and Social Security tax? That amount, invested each year for 45 years at seven percent interest, would give a nest egg of \$1,268,000. The present value of all the Social Security benefits he will receive, starting in 2041, assuming the system still exists, is an unimpressive \$12,400. The present value of health benefits he will receive is \$25,800, and of welfare benefits, \$20,500. The difference between \$59,700—the present value of all the benefits he will ever receive—and \$1,268,000 is a very expensive government for someone making \$10 an hour.

Can a government survive when so many resources are allocated to pay for inherited liabilities? Can a moral, orderly society survive if it does? The debt, because of doubts on both scores, destroys the value of the currency. The fear is that history will probably repeat itself, and the country will stoke up inflation to reduce the effective burden of an unportable debt. Inflation may stay within bounds, as it has, barely, for the past 20 years. Or it may run out of control and destroy the currency as it did in Weimar Germany in 1923. The Weimar inflation destroyed the middle class, the basis of any democracy, and made way for Hitler. Either way, when the currency's value is unpredictable, individuals can't plan for a child's education, business cannot look very far ahead, and the country is disoriented.

Jefferson, in a September 6, 1789, letter to James Madison, said he thought it self-evident "that the earth belongs in *usufruct* [trust] to the living, that the dead have neither powers nor rights over it." In 1823, Jefferson wrote to Thomas Earle, "That our Creator made the earth for the use of the living and not of the dead; that those who exist not can have no use nor right in it, no authority or power over it; that one generation of men cannot foreclose or burden its use to another, which comes to it in its own right and by the same divine beneficence; that a preceding generation cannot bind a succeeding one by its laws or

contracts." The current generation, in other words, holds the land as a life tenant does; he is entitled to cultivate the land and enjoy the fruits of it, but he can't hurt the interest of those who are to come after. He should turn the land over in the same condition he received it. Each generation is the steward for the earth during its lifetime.

Assume, Jefferson wrote, that Louis XV borrowed so much from the bankers of Genoa that the interest on the debt came to equal the whole annual net profit of France: "Should the present generation of Frenchmen deed their property to the Genoese creditors and leave their homeland? No. They have the same rights over the soil on which they were produced, as the preceding generation had. They derive these rights not from their predecessors, but from nature." No generation, by natural right, can oblige the next generation to pay its debts. If it could, it might, during its own time, "eat up the *usufruct* of the lands for several generations to come, and then the land would belong to the dead, and not to the living."

Jefferson concluded that it would be "wise and just" for the Constitution to declare that "neither the legislature, nor the nation itself, can validly contract more debt than they may pay within their own age, or within the term of 19 years." Not all borrowing, of course, leads to wasteful spending debt. Debt may be invested in beneficial infrastructure. The 1846 New York Constitutional Convention, applying Jeffersonian principles, provided that the state could contract no debt except by a law approved by a referendum. The debt, however, had to be for a single "work or object" and be accompanied by a new tax sufficient to pay interest and retire the debt within 18 years. Or the debt may be invested to acquire intangible assets—which the society considers beneficial—such as Pitt's Napoleonic Wars and our World War II and Cold War. But, because of the absence of checks, spending is far more likely to be wasteful when borrowing is permitted. If a country runs on a pay-as-you-go basis, whatever mistakes it makes will be paid for by those who made the mistakes.

Moreover, the requirement of immediate payment for government programs acts as an efficient brake on governmental enthusiasm. Debt, since it requires no immediate taxes, removes the fundamental limitation that to fund a program

for the benefit of one group, the money has to be taken from a different group. Under pay-as-you-go, the payers must currently pay what the payees will currently receive. The payers are apt to resist—the issue must be discussed—and some compromise reached.

With a borrowing policy, as Jefferson saw, the rules are entirely different. The consent of the governed is not necessary. The executive proposes a program but now he meets no effective opposition, since the legislature is equally happy to spend money today that will have to be repaid by future taxpayers. The viciousness of the borrowing policy is that the taxpayer of tomorrow is not represented by any of the parties at the table. The burden is easily cast upon the unrepresented future. Programs can go forward that the current taxpayers are unwilling to pay for. Unpopular programs—such as the Vietnam War, the Great Society, and the Savings and Loan bailout—can move ahead. Of course, when programs go ahead without the consent of the governed, they are likely to tear the country apart.

Jefferson believed that the debt-making power was too dangerous for the federal government. Since it could not be safely limited, it had to be prohibited. Jefferson wrote to John Taylor, on November 26, 1798: "I wish it were possible to obtain a single amendment to our Constitution. I would be willing to depend on that alone for the reduction of the administration of our government of the genuine principles of its Constitution: *I mean an additional article, taking from the federal government the power of borrowing.*" (Emphasis added.)

Jefferson said in 1816 that the people, "not the rich, are our dependence for continued freedom. And to preserve their independence, we must not let our leaders load us with perpetual debt." If the leaders load us with such debt, we will then be taxed "in our meat and in our drink" till we must, like the English, live on "oatmeal and potatoes; have no time to think, no means of calling the mismanagers to account; but be glad to obtain subsistence by hiring ourselves to rivet their chains on the necks of our fellow-sufferers." We will, at that point, "have no sensibilities left but for sinning and suffering. Then begins, indeed, the war of all against all."

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The Hundredth Meridian

by Chilton Williamson, Jr.

Year's End

The house key on its leather thong had nearly worn through the corner of the mailing envelope in which it had arrived. The gate latch was a loose affair operated by another thong, of a piece with the first, running through a circular hole in one of the upright planks that made the wooden gate. I drew back on the latch and pulled the gate toward me, crossed the patio behind the adobe wall, and fitted the key to the lock. The door opened smoothly inward and I entered the house with the north wind at my back, pushing hard against the door to press it shut. "We made it," I said aloud.

The house looked the same as when I had last visited it in September except for the framed bullfight posters on the west wall of the big room. I crossed the tile floor to the kitchen, lifted the telephone from its recessed shelf, and dialed Jim Catron in Contreras.

"I made it," I said when he picked up.

"Welcome to New Mexico. Can you get over here in 30 minutes?"

"No."

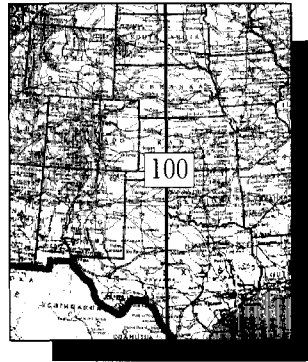
"Come tomorrow night then. Lyle is making chicken enchiladas with green chile. It's traditional with the Catrons."

"I need to unpack."

"You can't spend New Year's Eve alone."

"Yes I can."

The western sky was electric blue streaked with flaming pink and orange clouds above the violet outline of the San Mateo Mountains and the black berg called Ladrone Peak. In the 36 hours and 768 miles coming down from Wyoming three feet of snow had melted or evaporated from the bed of the pickup truck, leaving the spare tire resting once more on the steel floor. I took the parrots in their travel cages from the cab, carried them indoors, and put them in the guest bedroom away from the cat who presently descended from the loft, waving her tail graciously, to welcome me. When I had brought in the suitcases and the book boxes wrapped in plastic trash bags I built a fire in the wood stove, put the cat out, and fixed a drink. Outside the sunset colors faded, blending with the scent of cedar smoke from the hearth. It



was warm enough still to sit out on the portal for a single drink.

I carried the glass outside and sat against the wall of the house facing the eastern mountains turning rose-colored beneath the pine-forested peaks where the shining snow lingered from the last storm. While I sat drinking with my feet on the low wall of the portal a covey of quail emerged from the grama grass to drink from the pond and scratch in the surrounding dirt while the sentinel bird watched from a wooden bench. The summer before Jim Rauén, having a highball on the portal, saw a turtle break from the desert bushes, paddle rapidly across the bare ground, and dive into the water among the lily pads on the far side of the pond. Ignoring the schools of panicked minnows, the turtle surfaced the next morning and demanded food, acceptable in the form of hamburger meat rolled into pellets and fed to him by hand at the water's edge. Now he slept in the mud at the bottom of the pond, slowly processing hamburger and working up a prodigious appetite to emerge with him in the spring. I finished the drink and went indoors, fixed a fresh one, and drank it while the water boiled for beans and rice. I ate them with chipotle sauce and a glass of red wine. Then I let the cat back in and went to bed, leaving the dishes in the sink and the fire to burn itself out with the penultimate day of the year. Before retiring I took from one of the suitcases the old Confederate pistol I had brought with me from the north and placed it on the table beside the bed. Following Second Manassas, the verification by an officer on McClellan's staff who had attended West Point with R.H. Chilton, an adjutant general to Robert

E. Lee, of Chilton's handwriting on a critical battle order allowed the Union commander to move against Lee, on his way to attack Harper's Ferry, at South Mountain. Surrounded in the darkness by roosting birds in a silent house that was not my house but was home anyway, I fell asleep. My body is not my house, either.

All things draw to water on the desert. Boiling coffee next morning I saw through the window a redtailed hawk standing in water above his leggings, watching the house with a round yellow eye that never blinked. He stayed for more than an hour, and left without my seeing him go. After his departure the quail reappeared at a run across the gravel toward the pond, wobbly and ridiculous, as if their flightedness were lost in absence of mind. Individuals survive for a year and a half or two years, barely long enough to grow to maturity, hatch a brood, and raise it. In the middle of winter when the pond freezes over they skate on the ice, sliding and falling on their beaks, not thinking to spread their wings. Their globular bodies supported by twiggy legs, each one of the overlapping gray, white, and brown feathers placed precisely within the overall pattern, look perfectly made above their perfect reflections in the still water. I let the parrots out to play and fed them, then took a walk along the Santa Fe track crossing the east mesa from the railroad yard at Belén to Blue Springs Canyon in the eastern mountains.

Walking on the crossties between the rails I watched the signal light turn green ahead and listened for the locomotive blowing at the Burris ranch crossing beyond the long cut. Each began as a liquid glow beyond the perspective point, refined itself into three lights arranged triangularly, and acquired a train behind it as the engine approached. The blunt red nose with its yellow emblem emerged from the diesel hum and the whine of the transmission, and then the four locomotive units went by in a blast of bittersweet exhaust. The rails flexed, falling and rising beneath a mile of passing freight cars, and when the train was gone the emptiness on the desert felt as complete as before the Spanish made