In which our man in Washington hears blunt talk on taxes, education, and drugs

By Michael W. Lynch

Date: Tues, Sept 14, 1999 7:06:03 AM From: mlynch@reasondc.org Subj: Tax Relief

Congress is back from vacation, D.C. is again in perpetual motion, and I'm on the circuit. I spent the morning at the American Enterprise Institute absorbing a panel discussion on "America's Disconnected Youth," roughly defined as those 16-to-23year-olds who have the good sense to be neither employed nor in school nor married for at least a six-month span. I would return to AEI at 5:30 p.m. to catch a lecture from Jean Bethke Elshtain on "The Clinton Scandal and Civic Discourse."

For the time being, I was happy to be sitting in the basement of the Hunan on Capitol Hill restaurant, working on a plate of fried rice, General Tsao's chicken, and beef with black bean sauce. My host was "The Monday Club," a mostly conservative group that meets on random Mondays to hear speakers and enjoy lively conversation. Late Friday I had received a personalized e-mail message with the subject line, "Free Lunch."

Today's speaker was J. D. Foster, executive director of the Tax Foundation, who told us that the \$792 billion tax cut the president vetoed was mostly a scam-we wouldn't have pocketed the money anyway.

I'm not sure if Foster, one of the few people who has actually read the tax bill, was trying to cheer us up, or depress us, as he laid out the facts. In the bill's first three years, Americans' taxes would have

dropped by a measly \$47 billion, less than 6 percent of the advertised loot. In the first five years, the cut would have amounted to a mere \$155 billion. Reagan's 1981 tax cut hacked taxes by 3.4 percent of GDP, while this pathetic bill, even if fully implemented, would have reduced taxes by only 0.3 percent of GDP, according to Foster. By my calculation, that makes Reagan more than 11 times the man of any of the congressional Republicans.

"Where's the outrage?" Foster asked, as John Gizzi of Human Events nodded off at his front-row table. Another man was sleeping at the bar. Foster then answered his own question. The increased taxes are

coming from increased earnings.

Even though people may have to give Uncle Sam \$310 of the next \$1,000 they earn, instead of \$280, they are still \$680 better off.

> "Prosperity has become the enemy of liberty," said Foster. "Marx had it wrong. Religion isn't the opiate of the massesprosperity is."

Date: Mon, Oct 4, 1999 5:27:47 PM From: mlynch@ reasondc.org

Subj: Pro-Dope Governor at Heritage

Cabbed over to the Heritage Foundation today to catch a speech by New Mexico Gov. Gary Johnson. Perhaps you've heard of him: He's the confessed toker of dope and snorter of cocaine who has called for legalization of drugs. Drugs and Heritage don't really mix, so not surprisingly he was speaking on school choice. (Cato and drugs do mix, so Johnson is slated to keynote a conference there tomorrow.)

Johnson was treated to an enthusiastic introduction from Heritage's Becky Norton Dunlop. As Johnson sat upright, his tie glimmering with psychedelic overtones—a blend of purple and raspberry, with a flicker of yellow—Dunlop listed the governor's accomplishments. He's cut taxes, privatized prisons, reformed welfare, and handed pink slips to bureaucrats. There was no mention of his recreational drug use, although she didn't neglect recreation. Johnson has finished the Iron Man Triathlon twice and was set to go a third round in three weeks. After he leaves office in 2002, he plans to climb Mount Everest.

"No one ever asked me to run for office," said Johnson, whose chiseled orangetan face and triangular right ear make him resemble an anemic jack-o-lantern. His philosophy on being governor: Get in, make a contribution, and get out. His biggest fear: leaving office thinking "could've, should've, would've." If he accomplishes three things he'll have no regrets: implement a statewide system of universal school vouchers; decrease the income tax; and rethink the war on drugs. It might be time for libertarian pilgrimages to Santa Fe to worship the Great Pumpkin.

I don't know what spurred his latest media push; perhaps it's Ventura envy. I don't really care. This guy has a message that people need to hear—and a delivery style that can hold their attention. He would challenge himself with an assertion by someone trying to trip him up, and then he'd address the challenge passionately.

"Governor," he started out, "vouchers will take money away from the public schools." Not so, he responded. New Mexico currently spends \$5,500 per pupil. His voucher would give each child only \$3,500. Hardly a net, per-student loss to the government-school system. He would look at the audience, fix his glistening blue eyes on someone, and let loose. "Whether a cardiothoracic surgeon or an intravenous drug user," he declared at one point, "parents care about their kids."

As you can see, he also managed to

blend his issues. During Q&A, a reporter asked if he wasn't detracting from his education message by developing a reputation as a radical who wants to legalize black tar heroin. "I hope the reputation I'm getting is one for telling the truth," he shot back to the hushed crowd.

The truth he thinks he's telling is that if drugs were legal, people would use less of them. If I heard him correctly, I think he has it a bit off. It's not that people would use fewer drugs—the cost of drugs would decrease, so people would no doubt use more. It's that drugs would be less destructive to individuals, since they wouldn't have to lie, cheat, and steal to use them on a regular, if not recreational, basis.

At any rate, he got back on track. "Everything I've done is a cost-benefit analysis," he said. "All of the money we are spending on drugs, we can do better." With that, someone in the Heritage crowd released a hushed whistle, the kind that indicates you're in the presence of someone who is really out there.

Date: Tues, Oct 5, 1999 4:29:02 PM From: mlynch@reasondc.org Subj: Celebrating Drugs at Cato

Just after noon, *National Review's* John Miller and I were sitting in the Cato Institute's F.A. Hayek Auditorium killing time and discussing drugs. I was studying the head of a fellow in front of me, whose thin

took the stage. Johnson's tie was again brilliant, but yesterday's psychedelic purples had given way to a bit tamer blend of blue. This was perhaps a safety precaution, since flashbacks, while unheard of at Heritage, are well within the realm of possibilities at a Cato drug conference.

ato President Ed Crane called Johnson, for whom the governorship was an entry-level political job, a "walking advertisement for citizen politicians." Crane noted that Johnson has vetoed more than 500 laws—more than all previous New Mexico governors combined—and that he's sent 1,300 New Mexico public employees packing.

That means he fired another 100 yesterday, noted Miller, who was also at Heritage, where the number was a mere 1,200. Early in his speech, Johnson said he would be competing in his third Iron Man in two-and-a-half weeks. Yesterday, it was three weeks. Two possible explanations for these discrepancies: 1) Things are always just a little bit better at Cato, 2) the longer one stays in Washington, the better one's story becomes.

As he did for education, the governor would ask himself a question and come up with an answer. "What do you tell the kids?" he posed early on. "Tell them the truth," he replied to himself unflinchingly. "If we legalize drugs, we might be a healthier society."

When Johnson first ran for governor, he admitted he had smoked pot. "Oh, so you experimented," replied reporters. "No," he said. "This is something me and my buddies did. We enjoyed what we did."

and wispy white hair recalled Timothy Leary, while the patch of hair hanging onto his lower lip reminded me of the late Frank Zappa. Miller was concentrating on a guy from *High Times*, who had aqua hair, black nail polish, and more body piercings than I do. John noted that this is the "closest thing to a freak show you get at Cato." That, of course, was another way of saying this is about as close to a freak show as you get in Washington think tanks.

The room filled up. Gov. Gary Johnson

He declared that legalization would be a dynamic process, and that it would bring up new problems as well as solving old ones. There'd need to be new regulation and new laws, establishing age restrictions and such. But there will also be new opportunities. Police, for example, could focus on other offenses, such as "litter, speeding, and burglary."

He humanized the issue: Seventy-five percent of drug users, he said, are white people with jobs. That's a population to which I can certainly relate. Some of my best friends are white guys with jobs. He refused to demonize dealers. "A profile of a pusher," the governor said, "is your friend who happens to sell enough marijuana to support his habit." A good friend indeed.

As Crane sat looking up intently at the orange-faced governor, Johnson ripped off some more crowd-pleasing riffs. Declared Johnson: "Let the government manufacture [drugs], grow [drugs], and distribute [drugs]. If that doesn't lead to decreased use, I don't know what will."

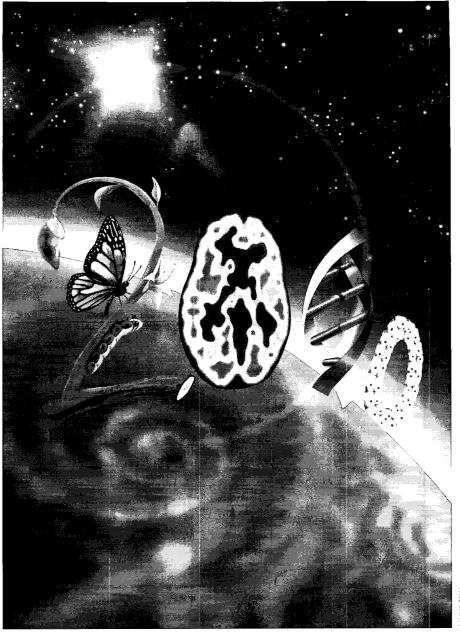
his faith in government incompetence appears to be the reason why Johnson feels that drug use wouldn't go up if drugs were legalized and regulated. I still have to doubt him here. The government has gone up against the downward-sloping demand curve many times, and it's lost in each instance. Still, why get hung up on particulars? We've got a two-term governor ridiculing not only government, but its drug war as well.

Johnson was playing for the home fans, having saved these folks the expense of a pilgrimage to Santa Fe. He got a standing ovation upon introduction, he was often interrupted by applause, and he finished to an even more enthusiastic standing ovation.

He called drugs a "handicap" many times, and made it clear that he no longer does them. "I don't do drugs. I don't do alcohol. I don't do candy bars," said the athletic governor. Nevertheless, he was adamant about the pleasure they once provided. One of the first things he told reporters in his first gubernatorial race, he said, was that he had smoked pot. They replied, "Oh, so you experimented." "No," he said. "This is something I did—me and my buddies, we enjoyed what we were doing."

He closed with a story to illustrate the issue's crossover appeal. Two old ladies recently approached his table while he was eating in a New Mexico restaurant. "'We're teachers and we think that your voucher idea sucks,'" Johnson quoted them as saying, hunching over slightly and raising his voice in a creaking manner so as to simulate advanced age. "'But your idea on drugs is right on, right on.'" Oh yeah.

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