

Bush the Younger: Another Hoover?

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President George W. Bush promised to emulate Ronald Reagan. When it comes to Washington's intrusion into the economy, however, President Bush is beginning to look not like Reagan, who reduced it, but like Herbert Hoover.

Contrary to what is commonly believed, President Herbert Hoover was no devotee of laissez faire economics. In fact, during his one term in the White House federal outlays in constant dollars more than doubled, and as a percent of gross national product tripled, from 3% to 9%.

Granted, under President Bush the federal share has gone up much less, from 18% to almost 21%. But then, he started from a much larger base. And while this increase may seem small, consider that it is the largest since President Johnson's "Great Society."

As if this were not enough, the "rescue" bill being rushed through congress will result in a qualitative as well as a quantitative leap in federal control of financial instruments and institutions.

The upshot of all this is that President Bush will deed to the Democrats one of the biggest increases in Washington's control of the economy in modern times (outside of the world wars).

Fiscally, the man who would be Reagan is turning out to be another Hoover. And, as with Hoover, it may take the Republicans, and conservatism more generally, a long time to recover from the legacy of one of their own.

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