Hey, Lucky Duckies! 12/5/02 3:02 PM

## The New Hork Times nytimes.com

December 3, 2002

## Hey, Lucky Duckies!

By PAUL KRUGMAN



arping critics of the conservative movement have been known to say that its economic program consists of little more than tax cuts, tax cuts and more tax cuts. I may even have said that myself. If so, I apologize. Emboldened by the midterm election, key conservative ideologues have now declared their support for tax increases — but only for people with low incomes.

The public debut of this idea came, as such things often do, on the editorial page of The Wall Street Journal. The page's editors, it seems, are upset that some low-income people pay little or nothing in income taxes. Not, mind you, because of the lost revenue, but because these "lucky duckies" — The Journal's term, not mine — might not be feeling a proper hatred for the government.

The Journal considers a hypothetical ducky who earns only \$12,000 a year — some guys have all the luck! — and therefore, according to the editorial, "pays a little less than 4% of income in taxes." Not surprisingly, that statement is a deliberate misrepresentation; the calculation refers only to income taxes. If you include payroll and sales taxes, a worker earning \$12,000 probably pays well over 20 percent of income in taxes. But who's counting?

What's interesting, however, is what The Journal finds wrong with this picture: The worker's taxes aren't "enough to get his or her blood boiling with rage."

In case you're wondering what this is about, it's an internal squabble of the right. The Journal is terrified that future tax cuts might include token concessions to ordinary families; it wants to ensure that everything goes to corporations and the wealthy. But the political theory revealed by the editorial — policy should be nasty to people with low incomes, lest they have any good feelings about government — may explain a lot of what has been happening lately.

For example, House Republicans recently refused to extend unemployment insurance. Their inaction means that later this month more than 800,000 workers will receive Merry Christmas letters from the government, telling them that their benefits have been cut off. This would have been a harsh decision under any circumstances. At a time when the administration says we need further tax cuts to stimulate demand, slashing the incomes of the very households most likely to cut their spending sounds like a lose-lose proposition. But once you realize that pain is good because it makes citizens hate their government, it all makes sense.

An even better example is the failure of Congress to provide adequate funds for the State Children's Health Insurance Program. The details of the legislative maneuvering are complex, but what it comes down to is that conservatives showed no interest in maintaining adequate funding for this highly successful program. The sums involved are not large, by Washington standards. But the results will be dramatic: according to Office of Management and Budget estimates, 900,000 children will lose health insurance over the next three years.

We are, of course, now living in what George W. Bush has called the "era of personal responsibility": if a child chooses to have parents who can't afford health care, that child will have to accept the consequences. But there may also be political calculation involved. Again, the government mustn't do anything good, because then people might not realize that government is bad. Understand?

What do we learn from this catalog of cruelties? We learn that "compassionate conservatism" and "leave no child behind" were empty slogans — but while this may have come as a surprise to the faith-based John J. DiIulio, some of us thought it was obvious all along. More important, we learn how relentless and extremist today's conservative movement really is.

Some people — moderate Republicans who aren't ready to admit what has happened to their party, and Democrats who think their party can appease the right by making its own promises of smaller government — still don't get it. They imagine that at some point the right will decide that it has gotten what it wants.

But the right's ambitions have no limits, and nothing moderates can offer will appease it. Eventually the public, which actually benefits from most of the programs the right is determined to abolish, will figure that out. But how fast voters figure it out depends a lot on whether moderate politicians clearly articulate the issues, or try to escape detection by sounding like conservatives.

Copyright The New York Times Company | Permissions | Privacy Policy