GUEST ESSAY

What Washing Machines Can Tell Us About America's Economic Future

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Much of the 2024 election has been extraordinary. One thing has not, and that's the quality of the debate about America's economic future. Beyond the vibes — both the angry ones and the joyful ones — there's been little to help Americans decide who better can steward the $29 trillion economy.

Here at Times Opinion, we thought we would try to fill the void. What follows is a back-and-forth between two top experts on the center left and two on the center right, discussing topics including housing, taxes, debt and, at one point, washing machines. Representing the left are the University of Michigan economics professors Betsey Stevenson and Justin Wolfers. And on the right, Jay Clayton, the head of the Securities and Exchange Commission under Donald Trump, and Gary Cohn, former president of Goldman Sachs and head of the National Economic Council in the Trump White House. This conversation has been edited.

Economic Priorities

Times Opinion: If you were advising the next president, what should be his or her top priorities?

Betsey Stevenson and Justin Wolfers, center-left economists: People are angry about the economy. Whether they blame educated elites, billionaires or immigrants, their anger comes from the same place: The system feels rigged.

Football without refs is just a rumble, and so is an economy without rules. Capitalism works partly because it turbocharges greed, but it also fails because it turbocharges greed. The profit motive gave us the iPhone, artificial intelligence and electric vehicles, but it's also given us online hucksters, corporations that prefer to merge rather than compete and online subscriptions that take a moment to click and hours to cancel. Smart regulation creates more of the former and less of the latter.

Our tax code is a Rube Goldberg machine built by an army of lobbyists. The next president should eliminate loopholes that stack the deck in favor of the have-plenty. (Hint: Start with the "carried interest" loophole.) Fund an Internal Revenue Service that ensures everyone plays by the rules. Congress largely ignores the nearly $2 trillion given away every year through breaks, loopholes and inefficiencies in the tax code. That's where the unfairness and bloat live. Get rid of those and you can make progress on the deficit.

Public anger reflects the challenges that people face paying for essentials such as food, gas, health care, housing and child care. Politicians talk a lot about food and gas. The others are bigger challenges, and the federal government can fix them. Health care prices make no sense. NIMBY politics make it hard to build new houses. Kids don't vote, so it's no surprise that child care is underfunded, even though research shows that investment pays off in spades.

Our plea to the next president is to tune in to the public's anger. Understand and empathize, and you'll come to see it not as a political constraint, but as the fuel that can power a once-in-a-generation presidency.

Jay Clayton and Gary Cohn, from the center-right: Betsey and Justin, we're with you on the anger, but not on the prescriptions.

The great middle of the country is, and should be, angry about the economy. Inflation has eroded their purchasing power. Housing, higher education and health care are at or near their lows in affordability. To the next president: You won because Americans believe you know how to improve their lives. This belief is powerful. It should ground your policies and can drive progress.

Start Day 1 with America's strengths: energy, technology, capital and talent. There is no faster way to deliver benefits across the board than lower energy prices. The forced scarcity of the Green New Deal, one of the great policy blunders in modern history, should be replaced with an "all of the above" approach to domestic energy supply. The benefits will be felt at the pump, in heating bills, at the grocery checkout and in every small business.

Technological advancement has similar broad effects — driving down costs and increasing choices for consumers. Think about the shelves of Walmart and Costco. Consumers have lower prices and more choice than we dreamed possible. Smartphones have shifted power to consumers. Continuing to win the global technology race will benefit every American in ways we know and ones we cannot imagine. Falling behind — as Europe has — will disproportionately harm our middle class.

Our wins in energy production and technology can be traced to our commitment to capital investment and human talent. Do not adopt tax policies that will reduce investment. Increasing taxation on capital gains or pursuing taxation on unrealized gains — a form of wealth tax — will stifle it. You should change our visa policy for those who earn advanced degrees in science and engineering from American universities. Sending these people packing after we spend millions educating them is absurd, particularly when millions without visas have been welcomed. Do not let this powerful change get bogged down in the disaster of our immigration policy.

On the runaway costs of housing, higher education and health care, level with the American people. Poor government — in both policy and practice — is the problem. We subsidize housing demand at the federal level but restrict supply at the local level through zoning, permitting and a host of other restrictions. We do the same in higher education, particularly at our elite universities. In health care, like higher education, there is no transparency and no market discipline. The American people are smart. They understand the high costs of poor policy choices. Show you're going to fight for them in these areas critical to opportunity.

Housing Policy

Times Opinion: Gary, Jay, you said the housing crisis stemmed from poor policy. Tell us about your preferred solution.

Clayton and Cohn: It starts with recognizing that housing prices have been driven out of reach by conflicting government policies. Home prices increased by over 35 percent from January 2021 through July 2024. We stimulate housing demand at the federal level through many channels — our tax code (mortgage interest deductions), financial market intervention (through Fannie Mae and Freddie Mac), and countless programs designed to help buyers (including from the Departments of Housing and Urban Development and Veterans Affairs). At the same time, we constrain supply at the federal, state and local level through restrictions that go beyond safety and density considerations, often by empowering interest groups with a wide range of nonhousing or even anti-housing objectives.

Not only do these factors drive up the prices of existing homes, they create opportunities for meddling. The time and cost to build new homes vary greatly among areas, even after taking into account the cost of labor and services. One reason is that governments and private interests use high demand for housing to push other agendas, such as environmental groups that use expansive definitions of wetlands to block development. These actions, be they selfish or laudable, keep prices elevated, and the cycle repeats.

As an immediate step, we propose any new federal subsidies be available only in municipalities that have agreed to increase the supply of single- and multifamily homes by more than 10 percent over 10 years. Municipalities that meet those goals would receive a meaningful federal grant. As a complement, federal regulators would speed the resolution of environmental and other regulatory hurdles. Next, the heads of key federal agencies would present recommendations for addressing restrictions on housing supply. Our suggestion on energy generation and distribution also would increase the affordability of housing, through lower costs of materials and construction.

Times Opinion: Betsey, Justin: We're guessing there's some room for agreement here.

Stevenson and Wolfers: We all appear to agree the housing market has two core problems. Unfortunately they are pretty broad: housing demand and housing supply.

The supply problem can be broken down into two parts: a temporary problem related to the pandemic and a longer-term problem related to regulation. Some short-term affordability issues will dissipate as the Federal Reserve brings down interest rates, and it would be foolish to design too much policy around temporary problems. (That said, we would encourage policymakers to help people understand how they can effectively sell their low-interest-rate mortgage along with their house.)

The longer-run problem is more pressing, and that's where we and our opponents part ways. In many cities, we're barely building any housing, and the stuff we're building isn't affordable. The good news is that most Americans agree that we need to build more. The bad news is that this enthusiasm extends only to other neighborhoods. Folks who live in nice places are quick to lodge their objections to change, particularly change that increases density. The result is a striking asymmetry: Local governments hear from the critics of progress but not the beneficiaries, which explains why so many local regulations limit new construction.

By this telling, housing policy rests with the wrong level of government. It's a national problem demanding national solutions. That's tricky because the federal government has no direct role in local planning decisions. And it's why Jay and Gary suggest the federal government create incentives for local communities. We'll put aside the details on how to do this, and agree they've got the right idea.

What they miss is that our housing problem is only partly about the quantity of housing. It's also about the type. We're building large suburban houses instead of starter homes, in part because our tax code distorts housing demand.

This mortgage interest deduction is effectively a housing subsidy, but mostly for higher-income people with higher tax rates. That's because the benefit is larger when your tax rate is higher. And because the subsidy grows with the size of your mortgage, you get a bigger subsidy if you buy a more expensive house.

Compare an upper-middle-class family deducting interest on the first $750,000 they pay for a home and a middle-class family with a $150,000 mortgage. Assuming some basic facts about their taxes, the wealthier family could get a benefit of $15,000 a year, compared with $900 per year for the less well-off homeowners. Lower income families get even less. If you thought about who needs a housing subsidy, you might do the exact opposite!

Gary deserves a lot of credit for helping to rein in these subsidies when the Trump White House and Congress capped the mortgage interest deduction at $750,000. We hope he agrees we could do more. Let's not offer this subsidy for vacation homes. To be fair, we should make it a "refundable tax credit," which is a wonkish way of saying that each home buyer should get the same help.

And let’s go a step further: We’ve inherited a housing stock that reflects decades of subsidies to build bigger houses. We can redress this imbalance by expanding the low-income-housing tax credit and providing down-payment assistance to middle-income families, as Kamala Harris has proposed. A good housing policy would increase and reshape supply. On both fronts, the United States is getting it wrong.

Tariffs

Times Opinion: Betsey and Justin: Both the Trump and Biden-Harris administrations have, to varying degrees, relied on tariffs as a policy tool. Are they right?

Stevenson and Wolfers: The biggest lie about tariffs is that they’re a tax on other countries. When Home Depot imports a washing machine, it’s Home Depot that writes a check to the U.S. government. That doesn’t necessarily mean Home Depot ends up paying, because it might pass along the cost to consumers or ask its overseas suppliers for a better deal. Economists have studied who bears the burden. Spoiler: It’s often American consumers.

The most closely studied tariffs of the Trump era are the washing machines tariffs applied in early 2018. Whirlpool complained it couldn’t compete against rivals that enjoyed government subsidies. Whirlpool’s lobbyists met a receptive Trump administration, which raised the average tariff on washers by roughly nine percentage points. Within a couple of months, the price Americans paid for washing machines rose by — you guessed it — roughly the same amount. Tariffs fed through into higher prices for American consumers, roughly dollar for dollar.

If the point of these tariffs was to make domestic producers more competitive, they failed. A study published in The American Economic Review shows that Whirlpool simply raised prices in lock step with its rivals. Even worse, major brands also took advantage of the confusion to raise the price of dryers — where there was no tariff increase! The price of other appliances remained roughly unchanged.

Donald Trump has said he will use tariff revenue to fund the federal government. That’s going to be hard. With the washing machine tariffs, American consumers paid about $1.5 billion more per year and the federal government collected a measly $82 million in revenue. Tariffs are a costly way to raise revenue. They also hit lower-income people harder.

In one way, the tariffs sort of worked. The major laundry manufacturers report they helped create around 1,800 jobs. A quick bit of division reveals these gains came at a cost of about $800,000 per job. We have better ways to support American workers.

At least this story has a happy ending. The Great Washing Machine Experiment ended when these tariffs expired in February 2023, and quickly the price of washers fell back to typical levels. Five years later, America's domestic washing machine industry had remarkably little to show for the billions that consumers spent supporting it.

One response we've heard to this story is: "If Trump's tariffs were so bad, why did President Biden continue many of them?" We think this illustrates the problem. Tariffs create their own political constituencies. Those 1,800 workers will fight to save their jobs, no matter the price. Whirlpool learned the value of its Washington lobbying division. You can bet manufacturing executives are hatching plans for how to curry favor with a second Trump White House.

We tell this story so that Gary and Jay don't have to. It's surely a painful one for Gary, who tried to persuade his fellow members of the Trump economic team to take his concerns about tariffs seriously. So Jay, Gary, this is the story of one tariff. What about the folly of the across-the-board tariffs Mr. Trump is suggesting?

Clayton and Cohn: The story of tariffs on washing machines is a good one. But the realities of our markets, including their intersections with social policy and foreign relations, are more complex.

In this environment, tariffs, subsidies, taxes and regulations play an increasing role in guiding the economy. And tariffs can be powerful. They can be instituted quickly on a targeted or broad basis. What's more, the size of the American economy and the power of the American consumer make U.S.-imposed tariffs more powerful than tariffs imposed by others. Every president should be ready to impose, modify or remove them.

The United States competes with countries where manufacturers are owned by the government and there are few regulations to protect workers. As a result, the cost of capital is close to zero and labor is not much higher. Even where the United States has a substantial technology or skills advantage, our competitors can produce products well below what it would cost here. Tariffs can level the playing field.

Some cases, such as national security, are obvious. The United States cannot be reliant on foreign manufacturers for military equipment, hospital supplies, communications technology and data processing, including artificial intelligence.

With the rise of China and India, and increased support by our trading partners for domestic champions, there are more cases where tariffs make sense. Take electric cars. Since 2015, the average price of electric cars has risen in Europe and the United States while it has more than halved in China. We must not allow highly subsidized Chinese manufacturing to displace private American production in an industry of the future, particularly one that supports high-skill, high-paying jobs. Tariffs on Chinese E.V.s are a no-brainer. Our next president should examine all major industries to determine where tariffs (or the threat of tariffs) are in the best interests of U.S. workers and consumers, understanding that the optimal mix of tariffs, subsidies, taxes and regulation is changing faster than ever.

National Debt

Times Opinion: Looming over these questions are America's persistent chronic deficits and debt. How worried should we be? And what's the fix?

Clayton and Cohn: Yes, our total national debt, which is approximately $35 trillion, or about 124 percent of gross domestic product, and our annual deficit, now nearly $2 trillion, or 7 percent of G.D.P., are problems. They are, by a wide margin, nearly the largest of our lifetime as a percentage of G.D.P. — the most relevant measure. Interest payments on the debt of approximately $1 trillion this year amounts to more than 12 percent of federal spending, up from under 8 percent in 2017.

Economists disagree whether, when and to what extent this will harm the economy. One area where most agree is that we cannot afford another bout of spending as we had between the March 2020 response to Covid through the August 2022 — clearly misnamed — Inflation Reduction Act. Additional spending at that level would call into question our ability to pay our debts. While we're all hoping for an economic "soft landing," we should recognize we're coming into a different airport, where the air is thinner, the runway shorter and fuel more expensive.

In contrast to the private sector, which is largely well positioned, our public sector, including our highly regulated health care system, is a different story. Our government's financial position is far worse than it was four years ago. Many of our core government functions are operated in a breathtakingly inefficient manner, despite record spending.

So, how do we improve? Not through higher tax rates on corporations or capital investment. A significant increase in tax rates in those areas will lower federal tax revenues over time. U.S. businesses will be less competitive, employment will suffer, investment will move abroad and asset values will be constrained. To increase revenue, we need to expand our economy while keeping inflation in check, and the most effective way to do this is through productivity gains. As we mentioned earlier, we should drive productivity principally by embracing technology, low-cost energy, capital investment and human talent. We need to bring down the costs of financing our debt as well as the costs of making good on our Medicare and Social Security obligations.

Bringing down debt costs is best accomplished by putting inflation back where it was pre-Covid. The average during the Trump administration was 1.9 percent. Here, the measures we discussed to increase supply, including addressing restrictions on housing, are the best prescription. As inflation subsides and productivity gains take hold, rates will come down. Of course, failing to address supply in housing and energy will have the opposite effect.

Then there is Medicare and Social Security, which represent 14 percent and 21 percent of federal spending. It's time to get beyond the kneejerk "you can't touch entitlements" reaction, which means good ideas and people fall prey to those who trade on fear and envy. Costs can be reduced without touching benefits for anyone over 25. And those 25 and under, if we act now, will get a better deal.

The last time Congress adjusted Social Security eligibility was 41 years ago, when the full retirement age was gradually raised to 67 from 65. Life expectancy has increased nearly four years since then to 78. That is great news, and also means we must address this issue again. For those born in 2000, who are turning 24 years old, we should move the full retirement age to 69. For each birth year after 2000, we should increase the full retirement age by one month a year, to a maximum of 72, which will effect only people born in 2036 and later.

In addition, for those ages 40 and under, we should introduce a "superannuation" fund, following the Australian model. Employees would be required to invest payroll deductions of 2 percent to 4 percent in low-cost, diversified investment portfolios overseen by a proven group of volunteer financial professionals who serve set terms. These accounts would travel with employees when they change jobs, and when the employees reach age 65, they would be eligible to withdraw their funds.

If we had done this in 1983 when we last looked at Social Security, a financially secure retirement would no longer be a concern for most Americans. Just imagine if over the past 40 years we had taken the surplus in Social Security and invested it in a diversified pension-like portfolio, with an estimated 8 percent return, instead of short-term Treasuries or cash that has earned almost nothing.

Times Opinion: Betsey, Justin: Would you look to entitlement spending to tackle the deficit and debt?

Stevenson and Wolfers: When you're assessing deficits, *why* is as important of a question as *how much*. Borrowing for a long weekend in Vegas is probably a bad idea, but borrowing to build a home, get an education or start a business is likely a good one. The same principles hold with government spending.

If we borrow $1 today and it gets us $10 in 20 years (roughly the estimated return of spending on early childhood education), that is a good deal. The U.S. government is uniquely able to borrow at a low cost, so the case against government debt is weaker than the case against personal debt. We've used this throughout our history to fund investments in human and physical capital that have fueled rising national prosperity.

Instead, we need to worry about the fiscal equivalent of a weekend in Vegas. For generations, Republicans have lowered tax rates and gutted government revenue by promising the cuts would pay for themselves, arguing that the wealthy would use the extra money to make great investments. From the Reagan through Trump administrations, Republican presidents have largely busted the budget with tax cuts that didn't pay for themselves, leaving their Democratic successors to clean up the mess.

If you know what comes next, we get it. Mr. Trump is running on a grab bag of tax cuts accompanied by evidence-free claims that they'll stimulate enough growth to pay for themselves. (Independent scorekeepers estimate that his program might, yet again, double the deficit.)

This pattern — of Republicans creating fiscal chaos for their successors to deal with — is not a coincidence. It's a strategy. For generations, Republicans have spent freely while shrinking the tax base. They've promised voters they can have the goods and services but without paying for them. This program of fiscal vandalism ignores one of Milton Friedman's key insights: To spend is to tax. A program such as Mr. Trump's that increases spending while cutting revenue simply shifts the tax burden to your old age, or to the next generation.

So the real fiscal question is: What should those future taxes look like? We have some ideas.

Let's reverse the decades-long trend of tweaking the tax code to the benefit of the rich. There's a kernel of truth to the idea that we need to unleash the energy of those whose entrepreneurial spirit can be suffocated by the tax code. But the wealthiest Americans today have enough to fund their good ideas. The deepest well of untapped entrepreneurial zeal lies among those who lack financing, are struggling with student loan debts and who don't have family wealth or connections. Perhaps it's no coincidence that declining inequality and a moratorium on student loan payments during the Biden years coincided with the greatest burst of entrepreneurial endeavor in our history.

Fortunately, we can raise revenue without raising tax rates. Our tax code reflects decades of special deals, carve-outs and loopholes, which collectively let corporations and the wealthy escape their obligations. In the 2023 debt deal, congressional Republicans cut funding for the I.R.S., effectively defunding the tax police. Fully funding the I.R.S. would raise revenue, help stabilize deficits and return a sense of fairness.

It's also a truism of tax policy that how you help determines whom you help. You might notice that nearly every major Trump policy is a tax break, rather than direct government assistance. Yes, it keeps anti-tax zealots happy. But it hides a slant toward helping the richest Americans. Eliminating the tax on Social Security primarily helps those who have high income from other sources and risks benefit cuts for everyone. The only tax that Mr. Trump proposes raising is the tax on imports (otherwise known as a tariff), which will hit lower- and middle-income families. The Trump program may well bring in less revenue by cutting taxes on the wealthy and corporations, while also raising the burden for 95 percent of Americans.

America's growing debt is a challenge that requires thoughtful, long-term solutions about how to fairly and efficiently raise more revenue. Instituting the global minimum tax, joining the rest of the world in taxing carbon and enforcing a fair tax code would be good steps. It should not involve brinkmanship about whether we are going to pay our debt. The last thing we need is for borrowing costs to rise as the rest of the world wakes up to the possibility that the full faith and credit of the United States may not be as reliable as it once was.

What’s Missing?

Times Opinion: We hit many of the high points. What did we leave out?

Stevenson and Wolfers: Let’s talk about the elephant in the room: This isn’t an ordinary election, and Mr. Trump isn’t an ordinary candidate. He refuses to commit to accepting the outcome of the race and refuses to accept the results of the last election. Jan. 6 wasn’t “a loving crowd,” as he put it — it was an attempted coup. If Mr. Trump and his enablers had succeeded, they would have overturned the popular will and ended our more than 200-year experiment in democracy.

This isn’t just a moral, legal or political issue. The economic consequences dwarf any other issue we’ve debated.

Let’s back up to provide some context. Most economic commentary focuses on the short-term changes in metrics such as unemployment or inflation. Read closely and you’ll realize that even the most spirited debates involve relatively small stakes.

Look across countries, and you’ll see the true risks. Consider Argentina, once a stable conservative democracy — like the United States — and also one of the world’s richest nations. Over the past century, the United States stuck with democracy, the rule of law and a stable economic system, while Argentina’s democracy broke down, its economic institutions failed, it cut off imports and racked up unsustainable deficits. The consequences were huge: Today, the average American enjoys an annual income that is roughly 200 percent greater than the average Argentine’s.

This isn’t just the story of Argentina. The richest one-fifth of all countries are around 30 times richer than the poorest fifth. When economists ask why, they’ve found that stories about geography, culture or natural resources aren’t sufficient. What matters is the quality of institutions. Last week the Nobel Prize in economics was awarded to three American immigrants for showing just that. Countries with “inclusive institutions” — rules that ensure everyone has the opportunity and incentive to help to grow the pie — enjoyed tremendous growth in incomes. Those with “extractive institutions” — that allow a small group to enrich themselves at the expense of the broader population — have stagnated.

Let’s bring this back to the election. The United States isn’t Argentina, but a few decades ago, Argentina wasn’t, either. These are the stakes. Any possibility that this election makes us a bit more like Argentina is, in quantitative terms, the most important economic issue.

And so America's voters face a striking asymmetry. If we stick with our economic fundamentals — democracy, the rule of law and inclusive institutions — we can expect our prosperity to continue. Threatening these pillars risks our economic future. This asymmetry highlights the wisdom of the sort of small-c conservatism that historically animated the Republican Party. That earlier generation cherished the economic and political institutions that yielded peace, stability and prosperity. Our economic structure is imperfect, to be sure — and this is why people are angry — but it has also generated the highest material standard of living of any large country at any time in human history.

In this upside-down moment in American politics, the strongest economic argument in favor of Kamala Harris is that she is the true conservative in the race, offering the best chance of continuity with America's great democratic traditions.

Times Opinion: Gary, Jay: Do you see the choice in similarly existential terms?

Clayton and Cohn: No, we are not in danger of becoming Argentina with a second Trump administration. We are, to be sure, rooting for Argentina's president, Javier Milei, to reverse decades of corrosive, government-enabled corruption and waste. We should be more concerned about becoming Europe with a Harris victory. Our so-called progressives have zealously pushed European-style economic and social policies with disdain for those who question their wisdom. The facts on the ground provide a large dose of reality.

America and the European Union are comparable in population, education and access to resources. So why between 2010 and 2023 did the cumulative growth rate of G.D.P. reach 34 percent in the United States, compared with 21 percent for the E.U.? Over the same period, American labor productivity grew at 22 percent, while it was an anemic 5 percent in Europe.

The first reason we've discussed: investment in technology and energy through vibrant capital markets and rational regulation. Don't just take our word. Mario Draghi's sobering report to the European Commission spells out many of the E.U.'s shortcomings. Public spending, taxation and regulation have favored the entrenched and politically favored, and the European economy has ossified.

The Ukraine war further revealed how fortunate we are — and, more acutely, how lucky the Europeans are — that America resisted the European temptation to protect the public from technology-driven progress. European environmental policy turned a blind eye to the importance of energy to their security. Today, American natural gas exports are helping keep the European economy afloat, and American satellite and drone technology has helped Ukrainians hold Russian forces at bay.

The second driver is the performance of our public sector. Betsey and Justin give this a nod, but it deserves greater focus. There are three areas where, following European practice, our government is failing the American people.

Accountability
Across the government, success is often measured by inputs, usually money spent or fines levied. But we should care more about outcomes. In primary education, we debate spending per student and de-emphasize proficiency scores in reading and mathematics. Similarly, the cost of a college education has skyrocketed, but data on resulting employment and wages is insufficient. This has saddled a large group of our citizenry with poor employment prospects and debilitating debts.

In energy, we have committed trillions to a green transition. Whether that money is well spent will depend in large part on the end cost to the consumer. We need to consider permitting, storage, refining, transportation and other challenging issues. The resulting waste is vast and, if demand increases as expected, could be in the trillions.

Technology
The I.R.S. conducts a core function of government. It touches just about every American and, rightfully and regrettably, few are satisfied. It is a testament to our collective belief in supporting our country that our tax compliance is world leading despite obvious failings. The I.R.S. infrastructure is outdated. Many processes are still done by hand using paper. The drag on our economy, including the costs to individuals and businesses in compliance efforts, is staggering. But we do not need 85,000 more I.R.S. employees. We should invest in a technology upgrade, including A.I.

Military spending suffers from a similar failure. We should be debating whether we need new aircraft carriers (around $13 billion each) or better drones (where the 2023 budget was about $2.6 billion). Remember that the Biden administration brokered a resolution of an East Coast port strike without addressing the union's longtime block on new technology, even though we don't have a port in the world's top 50.

The public sector

Here is where Europe risks becoming Argentina and where we risk becoming Europe. Too many government jobs, including those proposed 85,000 I.R.S. employees, are dependent on performing inefficient and obsolete functions. Every American should be asking whether our failures here go beyond negligence and bureaucratic ineptitude. Is there a corrosive political bargain? Are 85,000 new I.R.S. employees in fact 85,000 more voters for big, inefficient, incumbent government?

Every day, we are grateful that we live in a country where we can ask these questions of our government and push for change. After a century, President Milei is asking them for the benefit of his country. A Trump administration will ask them. And we should not wait a century to do it.

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