

A Populist Specter

“The Triumph and Collapse of Liberalism” by John Lukacs, in *The Chronicle Review* (Dec. 10, 2004), 1255 23rd St., N.W., Washington, D.C. 20037.

Lukacs has “never been a liberal,” but he sees in the fact that the term has become “soiled, outdated, torn at its edges” a serious threat to democracy itself.

Modern liberals have only themselves to blame for this state of affairs, writes the prolific historian, author of the forthcoming *Democracy and Populism*. Their sins are many, from a too-tolerant view of communism and the Soviet Union during the Cold War to a contemporary tendency “to take the ideas of the Enlightenment to extremes,” for instance, by promoting “a public morality devoid of, if not altogether opposed to, religion.” Yet traditional liberal ideals still desperately need defending:

“When it came to the formation of the democracies of the West, the concepts of liberalism and democracy, while not inseparable, were surely complementary, with the emphasis on the former. Among the founders of the American republic were serious men who were more dubious about

democracy than about liberty. They certainly did not believe in—indeed, they feared—populism; populism that, unlike a century ago, has now become (and not only in the United States) the political instrument of ‘conservatives,’ of so-called men of the ‘Right.’ It is significant that in Europe, too, the appeal of the term ‘liberal’ has declined, while ‘democratic’ is the adopted name of a variety of parties, many of them not only antiliberal but also extreme right-wing nationalist.

“Yes, democracy is the rule of the majority; but there liberalism must enter. Majority rule must be tempered by the rights of minorities and of individual men and women; but when that temperance is weak, or unenforced, or unpopular, then democracy is nothing else than populism. More precisely: Then it is nationalist populism. It may be that the degeneration of liberal democracy to populism will be the fundamental problem of the future.”

The Grail of Efficiency

“Boosting Government Productivity” by Thomas Dohrmann and Lenny T. Mendonca, in *The McKinsey Quarterly* (2004: No. 4), www.mckinseyquarterly.com.

With the first of the 76 million aging baby boomers due to begin retiring in a few years, the federal government will soon be facing some hard choices: Cut retirees’ benefits or raise taxes to pay for them—or reduce public services for everyone else. But there’s another, less painful option: Improve government productivity.

Yes, it’s been tried before, notably in the “reinventing government” effort of the early 1990s, and with some success. But the surface has barely been scratched, say Dohrmann and Mendonca, principals in the Washington office of McKinsey & Company, a management consulting firm.

Between 1987 and 1994, the federal government’s productivity grew by a total of only 0.4 percent, while the private sector’s grew at a

1.5 percent annual rate. Washington then stopped measuring its productivity; private sector productivity has since grown by three percent annually. If Washington could match the 1.5 percent rate, the savings would total \$104 billion to \$312 billion.

That wouldn’t mean simply taking an ax to government payrolls and programs. A handful of state governments and quasi-governmental organizations have shown the way. Illinois, for example, has consolidated public aid programs scattered through six different departments into a new Department of Human Services, eliminating duplication, better serving aid recipients, and redeploying saved money and staff to new programs.

One study shows that the Medicare budget could be pruned by about 20 percent