Today’s front-burner domestic policy debates reflect three fundamental changes in American government that have been in train for several decades and have accelerated dramatically in recent years:

- The decline of Congress as a representative legislature, and the assumption of broad lawmaking powers by the Executive Branch (both the President and the numerous administrative and regulatory agencies) and Federal Reserve.
- Routine deficit spending and growing government debt, accompanied by government promotion of private borrowing for such things as home mortgages and college tuition.
- The shift of federal spending from traditional public goods (e.g., national defense, courts, and transportation infrastructure) to transfer payments to individuals (e.g., Social Security, Medicare, and other “entitlements,” and narrower programs from welfare to farm subsidies).

This course will examine the causes of these developments; their consequences for political debate, policymaking, and public welfare; and the prospects for institutional reform.

**Wednesday, February 6, 2013, 7:00 pm to 10:00 pm**

**Political Change and Legislative Decline**

**Reading:**

- Thomas E. Mann and Norman J. Ornstein, *The Broken Branch: How Congress is Failing America and How to Get It Back on Track* (2008), Ch. 5, “Institutional Decline”

**Discussion Questions:**

1. How, according to our authors, has American politics changed during the past several decades? Do the authors give satisfactory accounts of the causes of those changes? Has politics become more or less “democratic”?
2. What have been the consequences of political change for the structure and output of government? Is “institutional decline” a congressional problem or a broader phenomenon?
3. Is the representative legislature obsolete? Might it be restored—and, if so, would that be desirable?
Wednesday, February 13, 2013, 7:00 pm to 10:00 pm

Executive Supremacy

Reading:
- Christopher DeMuth, “Our Regulatory State,” (a version of this essay appeared under the title “The Regulatory State” in *National Affairs* 12, Summer 2012)

Discussion Questions:

1. Is “executive supremacy” a mirror image of “legislative decline,” or does it have independent sources?
2. What are the advantages and disadvantages of direct lawmaking by the President and executive agencies? Are these primarily legal, political, or economic?
3. Are the controversies over executive lawmaking likely to outlast the Obama administration and the debates over Obamacare implementation?

Wednesday, February 27, 2013, 7:00 pm to 10:00 pm

Executive Consolidation and Unilateral Taxation

Reading:
- The FCC Universal Service Tax (descriptions and data)
- The PCAOB Self-Funding Tax (descriptions and data)

Wednesday, March 6, 2013, 7:00 pm to 10:00 pm

Debt and Democracy

Reading:
• Henry J. Aaron, “Where is the Urgency on the Debt Ceiling?” Yahoo Finance, January 9, 2013

Discussion Questions:

1. How has the nature of the debt problem changed over American history? Does “big government” require “big debt”? Is the debt a partisan issue where the interests of political liberals and conservatives conflict?
2. How is today’s high government debt related to the issues discussed in previous sessions—political change, legislative decline, and executive supremacy?
3. If the major entitlement programs such as Social Security and Medicare are running surpluses (with annual program revenues exceeding expenditures), how can they be said to be an important part of the debt problem?

Wednesday, March 13, 2013, 7:00 pm to 10:00 pm

Debt by Regulation: The Financial Crisis of 2008

Reading:

• Christopher DeMuth, Government Regulation and the Financial Crisis of 2008 (2012)
• Financial Crisis Inquiry Commission, Final Report (Preface and Conclusions) and Dissenting Statement of Peter J. Wallison (Introduction and Summary)

Discussion Questions:

1. In what respects was the financial crisis of 2008 a result of the political and institutional transformations examined in previous sessions? Has the crisis and its aftermath accentuated those transformations?
2. Would greater checks and balances between Congress and the President make it easier or harder to respond to future financial crises?