

The voice of reason: Re-inventing Reagan

S. Scott Spagnola
Staff Writer

It seems like these days all I ever hear is rhetoric about how bad something has been for "the last twelve years." Bill Clinton and his liberal buddies say it so much that it has become a cliché. Ever since Ronald Reagan left office nearly five years ago, liberals have been on a campaign of misinformation about what really occurred during Reagan's tenure. The truth is that the only economic crisis that occurred under the "twelve years of Reagan-Bush" occurred in the last year and a half of Bush's presidency, not Reagan's. Reagan symbolizes everything the leaders of the Left despise. Many of them are quasi-socialists who don't want to admit that capitalism works and that the economic boom that occurred in the 1980's takes the wind out of their sail. The 1980's was much sunnier than Clinton and his intellectually elite buddies would like you to believe.

"The rich got richer, and the poor got poorer." Next to "the last twelve years," this is the catch phrase adopted by the Democrats on Capitol Hill as well as liberal interest groups. Most of their data comes from the source, the Democratic-controlled Congressional Budget Office (CBO). The CBO has continuously distorted statistics to paint Reaganomics as a tri-

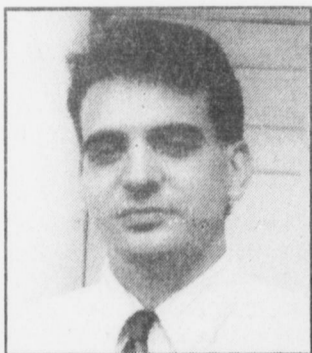


Photo by Mark Lewinter

Spagnola

umph of the rich at the expense of the poor. The truth is very different.

The CBO claims that the income of the top 1% of Americans rose by 65% from \$343,610 in 1980 to \$566,674 in 1992. The figures may be correct, but the analysis is greatly flawed. The real reason for this "growth" in the top bracket is because more people that were in lower income brackets in 1980 moved up by 1992. To illustrate this, let's say we have a certain liberal senator from a wealthy family in New England. And let's say, for practical purposes, that he lives in a nation that has a population of only 1000. This means that only 10 people can constitute the top 1% of the population. The year is 1980, and the senator is number 10 of the top 1% with an income of \$200,000. It is an election year, and the nation is tired of double-digit inflation and high interest rates.

They elect a conservative governor from a large western state as president. During the eight years of this president's term, more people earn more money. Soon, people are catching up with our senator from New England in terms of income.

By the end of the decade, there are 100 people besides the senator earning \$200,000 or more. But since only 10 people can constitute the top 1%, the minimum amount needed to belong to the top 1% has now gone higher. \$200,000 may have once been enough for our senator to be in the top 1% in 1980 but not in 1992. So when you see those figures that say "income in the top 1% rose 65%" what you are really hearing is the amount needed to make the top 1% increase 65%. Also keep in mind that many people that were in the top 1% in 1980 fell into lower income brackets as people below them moved up. This is the truth behind the rich getting richer, but what about the poor getting poorer?

According to data compiled by the U.S.... Census Bureau, the poverty rate declined from 15.2% in 1983 to 12.8% in 1989. According to the Treasury Department, 86% of those in the lowest quintile in 1979 had risen to a higher quintile by 1988, and 47% of the middle class had risen to a higher quintile. In contrast, 53% of those in the highest quintile fell into a

lower quintile. One study found that incomes of the lowest fifth had risen nearly 77% between 1977 and 1986. That is what really happened.

"Reagan was anti-minority, anti-woman, anti-poor." Another myth adopted by the Left. Median income for women grew 31% from 1979 to 1990. Unemployment in the black and Hispanic communities dropped 9 and 7.35 respectively, and black-owned businesses increased 38% from 1982 to 1987 compared with just 14% for the rest of the population. Making the least gains in the 1980's were homes with single mothers. But families in this category also rose from 5.8 million in 1979 to 7.2 million in 1989. Reagan can't be blamed if children are now our poorest citizens, because they are being raised in homes with only one source of income. Individuals must change this by taking greater responsibility.

The deficit is another distortion. Bill Clinton, Tom Foley, George Mitchell and a host of other big spenders in Washington love to pin the deficit on Reagan. They say either the rich didn't pay enough, or Reagan spent too much on the military. These assertions are completely false.

Neither Reagan or Bush caused the deficit. First of all, the president cannot spend money; only the Congress can do this. Second, none of Reagan's budgets were

ever passed by Congress. Even Clinton conceded that for "the last twelve years, the president's budget was dead on arrival at Capitol Hill." In the 1980's, social spending increased nearly 300%. Even the nearly doubling of revenues could not keep pace with the rapid growth of spending. If you are going to say Reagan didn't care about social spending, then you can't blame him for the deficit. If you are going to blame him for the deficit, logically, you would have to concede that he *did* spend a lot on social issues. The truth, of course, is neither, because none of Reagan's budgets got passed. Incidentally, the military spending that was proposed under Reagan was relatively constant to that of his predecessors in terms of percentage of GNP.

The economic boom that occurred under Ronald Reagan was real. It was a record 92 months of peacetime growth, 19.3 million new jobs created, and there is plenty of evidence to support the fact that these were not "hamburger jobs." Reflect on the 1980's, and ask yourself, What can you recall that was so bad? You lived it; you were there.

The truth can be ignored to further any agenda of the week if so desired, but that lends itself to intellectual dishonesty. As Rush Limbaugh says, we must have the "courage to believe the truth." That sounds reasonable to me.

*"Where there is quiet,
there is not truth."*

-Hugh Latimer

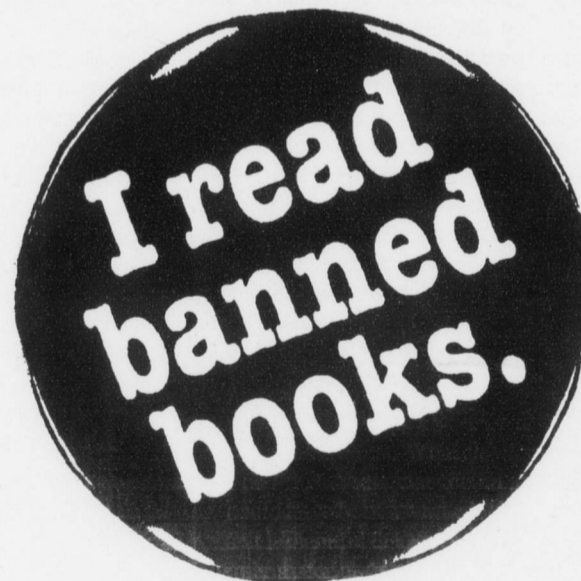
**GET NOISY,
GUILFORD!**

**Speak your mind,
WRITE A LETTER
TO THE EDITOR**

*Tell us what you're mad
about, or happy about!*

GET THE TRUTH OUT

SPECIAL DISPLAY & FREE BUTTONS



... **SO CAN YOU**

Guilford College Bookstore

Founders Hall

M, T, F 9-5

W, Th 9-8

