

trust fund has a sizable surplus because the workers are depositing more than the retirees are withdrawing. But in 15 years, due to demographic changes, Social Security will start to pay out more in benefits than it takes in. And about 16 years after that, the trust fund will exhaust all the surplus built up over the years. Social Security will be bankrupt.

To preserve Social Security, then, the federal government needs to increase the money coming in, or cut back on the money going out. And politicians have long assumed that doing either would somehow involve an agreed-upon slate of changes, each with its own political and moral hazards. Hiking the payroll tax would hurt the working poor since it's an extremely regressive tax. Raising the retirement age would penalize manual laborers, who can't physically keep working into old age. Cutting benefits across the board would stick it to some elderly people who don't have a lot to spare. Cutting benefits only for better-off retirees—"means-testing"—would jeopardize Social Security's political support, which is based on its universal distribution of benefits. And means-testing would also discourage saving—why provide for your own retirement if it's just going to be offset by lower Social Security checks?

Clearly, none of the above options look particularly appetizing, but until now nobody had a better idea. Given that Social Security is ostensibly a self-financing system, it seemed inevitable that reform would entail either raising a regressive tax or cutting benefits. But using the budget surplus would change everything.

Suppose that the federal government pays down \$1 trillion in debt over the next decade—that's the sum total of surpluses the White House projects—and credits that money to the Social Security trust fund. That \$1 trillion in surpluses comes from general tax revenues. This means that today's general tax revenues would pay for tomorrow's Social Security benefits. Why is that so important? Because general tax revenues are progressive, and hence the burden of reform wouldn't fall solely on workers or Social Security beneficiaries. Using these funds would provide a way out of the self-financing trap.

Of course, this would not obviate the need for additional reform at some point down the road; crediting the entire projected surplus to the trust fund would at best wipe out only a quarter of Social Security's actuarial future deficit. And this caveat has already roused the suspicions of some deficit scolds. "You really need to bite the bullet and raise taxes or cut benefits," clucked David Jones, an investment-banking economist, to *The Boston Globe*. "I just don't like shortcut solutions, and this has the flavor of a shortcut solution." This is where the monklike ethic of fiscal restraint veers off into masochism. After all, if you're living beyond your means and you suddenly inherit a tidy sum of money, you don't turn it down on the grounds that it would forestall needed self-discipline. You take it and live off it for as long as you can.

None of this is to say that paying down the national debt represents the ideal use for 100 percent of the surplus. Plenty of worthy spending programs have been trimmed in recent years, and they could use more fund-

ing. But if Clinton tries to siphon off even a portion of that surplus for more spending, he would give up his strongest argument against cutting taxes—that doing so would threaten Social Security. For the strategy to work, Clinton has to resist the understandably strong temptation to skim a little of the surplus for pet projects, even good ones. The surplus-for-Social Security formulation shuts out any room for tax cuts only if Clinton can claim the entire budget surplus as a moral necessity. The whole strategy, in other words, requires a complete refusal to compromise. And that in itself would be a new direction for Clinton. •

THE HARD QUESTIONS

LEGAL LIMITS

By Glenn C. Loury

Delinquency and drug abuse, the degradation of marriage, the loss of human dignity—such is the moral decline about which we hear every night on the local news. These are symptoms of broader cultural problems—radical individualism, moral relativism, and materialism—that religious traditionalists rightly decry. Even many secular liberals would agree on the urgency of this crisis, but what exactly is to be done? Cultural conservatives would have us believe that government, politics, and public policy should be instruments through which to affect a moral revival. And because they speak on these matters with such great authority, it is tempting to believe them.

But it's a temptation we should resist. Modernity is upon us, and it will not be rolled back by public policy. If the country faces cultural problems, we stand a much better chance of fixing them not through government, but through spiritual revival and the building of new, energetic, and vital religious communities distinct from the state. This is a lesson we have learned sometimes painfully in the last half-century. And it's a lesson of particular relevance today.

To be sure, we can send signals about moral commitments through public policy. We can legislate against drugs, divorce, pornography, or premarital sex. We can funnel resources into mediating private institutions—by making charitable organizations tax deductible, for example. And we can intervene in citizens' lives—through welfare-eligibility rules, or the criminal justice system—to encourage responsible behavior.

But when all is said and done, these instruments are insufficient to the moral task at hand. Public policy has



only limited reach, and, inevitably, even modest undertakings have negative repercussions. The signaling of values through law, in the face of widespread behavior contradicting the values in question, breeds cynicism of legal institutions and, in turn, undermines the law's very authority. The fiasco of Prohibition taught us that.

Expanding the charitable activities of private institutions through the infusion of tax-deductible funds risks changing the very essence of those institutions, distorting their missions. State-sanctioned coercion, meanwhile, is an extremely crude tool. One has only to consider the largest such undertaking, the prison system—populated by one and a half million souls on any given day—to see the point: Incarceration on such a scale may be required, but nobody seriously maintains that it does anything to promote morality.

Yes, divorce can be a terrible, tragic thing, particularly for the children; the growing interest in making divorce more difficult seems appealing. Yet even among intact families parents are devoting less time to children often because both parents must work in order to make ends meet. Today's adults may be more reluctant to sacrifice their own personal fulfillment in order to promote their children's development. If so, I would suggest that this is the real disease, with divorce being but a symptom. And it's something that will not be solved by putting more hurdles between divorcing parents and the courthouse.

Many Americans lament the extent of abortion in the land. Although I am not a constitutional lawyer, I would agree with its critics that *Roe v. Wade* is bad law. Yet, what do we really think would happen if abortion were left to the state legislatures? Do we really think many would make it illegal? When Mother Teresa, speaking about abortion, lamented that we now have a world in which a baby is not safe from its own mother, she was addressing the heart of the matter and the need for a solution that can't be found in a statute book.

Indeed, the desire to use laws as an instrument for fending off the corrosive effects of modernity is extremely problematic. Not least are the dangers of hypocrisy and self-righteousness. Moralizing through politics and the law can be a seductive way of deflecting attention from the mote in one's own eye.

When there is breakdown in the moral fabric, it is necessary to ask who has the authority to reconstruct it. And, more importantly, what is the source of that authority? There is something about human relationships that is essential to the establishment of this authority. Consequently, the building of authoritative and respectful relationships where they do not now exist becomes a basic requirement if we are to be serious about forestalling the corrosive effects of modernity. That is not an activity amenable to being advanced through cultural politics and the law.

This point is of special importance when thinking about moral decay in the inner city. We are all in this together. Those people are our people, whether they're black or white, crack-addicted, juvenile felons, or worse. And speaking as a Christian, the imperative is love. We

should be embracing these people, not demonizing them. I deeply regret that the public posture of Christian political activists does not reflect that compassionate stand more convincingly.

I am sympathetic to the efforts to strengthen civil society about which we hear so much these days, including the devolution of responsibilities for social reconstruction from government into the voluntary sector. But my conservative disposition makes me cautious about taking a set of simple ideas and using them to restructure a vast social undertaking. Millions of Americans now depend on a welfare-state apparatus which, however flawed, also has some great achievements to its credit. I would not quickly change the institutions on which so many people rely without having a pretty clear idea about what I expected to happen as a result of doing so. So far, welfare reform has produced encouraging results, but much can still go wrong.

I am also ambivalent about a vision that sees churches as the primary instruments of social service. Of course, the charitable work of religious institutions must go forward, but I am troubled at the thought of churches becoming vehicles for funneling billions of dollars into the hands of needy people. Churches should, first and foremost, be about spirituality. If they were, the parishioners would go out into the world and do what needed to be done on their own.

There is a place in the Christian scriptures where the Apostle Paul writes: "For though we live in the world, we do not wage war as the world does. The weapons we fight with are not the weapons of the world. On the contrary, they have divine power to demolish strongholds." Politics and policy are worldly weapons. Those of us concerned about moral decay should never lose sight of their limits. •

Yevgeny Primakov, Saddam's little helper.

T THE ODD COUPLE

By Amatzia Baram

As the situation in the Gulf heats up yet again, a familiar figure is once more in the spotlight: Russian Foreign Minister Yevgeny Primakov. As usual, he is trying to play peacemaker and avert the impending military action against Iraq by brokering one more last-minute compromise between Baghdad and the U.N. Primakov is Russia's leading Iraq hand. And his relationship with Saddam Hussein goes back almost 30 years—a fact of which Primakov is proud. But if Primakov's current efforts follow the pattern of his previous attempts, nothing good will come of them.

Copyright of New Republic is the property of New Republic and its content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.