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THE WALL STREET JOURNAL.

WSJ.com

OUTSIDE THE BOX | OCTOBER 27, 2008, 12:49 A.M. ET

The Europeanization of America

What's ahead if Obama becomes president.

By PETE DU PONT

Barack Obama is likely to become the next president of the United States.

Six weeks ago John McCain was leading Mr. Obama. But according to RealClearPolitics, as of yesterday Mr. Obama led in the national polls by just under 8% and in the Electoral College by 306 to 157 (a majority is 270). Throughout his campaign Mr. Obama has successfully presented himself as a careful and sensible person and was recently endorsed by Christopher Buckley, son of the late William F. Buckley, as having a "first-class temperament and a first-class intellect."

But Mr. Obama will most likely be our most liberal public policy president since Franklin D. Roosevelt. Since President Bush is not popular (his approval rating is at 25%, with 71% disapproving), Mr. McCain has not run an inspiring campaign, and most people have declining confidence in our economic and financial system, voters have simply decided it is time for change. Gallup reports that just 7% of Americans are satisfied with the way things are going, so voters seem to have concluded that they will take a chance on Mr. Obama, whatever his policies may be.

The only organization with a worse rating than the Republican president is the Democratic Congress—14% approval, 75% disapproval. But there, too, the Democrats will gain strength. They are expected to increase their majority in the House, and current polling shows that in Senate races Democrats will increase their members from the current 51 (including two independents who caucus with the Democrats) to at least 57. They may even achieve the 60 votes needed to overcome a filibuster.

So where is the new Obama administration likely to take us? Seven things seem certain:

- The U.S. military will withdraw from Iraq quickly and substantially, regardless of conditions on the ground or the obvious consequence of emboldening terrorists there and around the globe.

- Protectionism will become our national trade policy; free trade agreements with other nations will be reduced and limited.
- Income taxes will rise on middle- and upper-income people and businesses, and individuals will pay much higher Social Security taxes, all to carry out the new president's goals of "spreading the wealth around."
- Federal government spending will substantially increase. The new Obama proposals come to more than \$300 billion annually, for education, health care, energy, environmental and many other programs, in addition to whatever is needed to meet our economic challenges. Mr. Obama proposes more than a 10% annual spending growth increase, considerably higher than under the first President Bush (6.7%), Bill Clinton (3.3%) or George W. Bush (6.4%).
- Federal regulation of the economy will expand, on everything from financial management companies to electricity generation and personal energy use.
- The power of labor unions will substantially increase, beginning with repeal of secret ballot voting to decide on union representation.
- Free speech will be curtailed through the reimposition of the Fairness Doctrine to limit the conservative talk radio that so irritates the liberal establishment.

These policy changes will be the beginning of the Europeanization of America. There will be many more public policy changes with similar goals—nationalized health care, Kyoto-like global-warming policies, and increased education regulation and spending.

Additional tax advantages for lower and middle income people will be enacted: a 10% mortgage tax credit that would average about \$500 per household per year, a \$4,000 tax credit for college tuition, a tax credit covering half of child-care expenses up to \$6,000 per year, and even a \$7,000 credit for purchase of a clean car.

More important, all but the clean car credit would be "refundable," meaning people will get a check for them if they owe no taxes, which is simply a transfer of income from the government to individuals. In reality this is the beginning of a new series of entitlements for middle-class families, the longer-term effect of which will be to make those families more dependant on (and so more supportive of) larger government. The Tax Policy Center estimates that these refundable tax credits would cost the government \$648 billion over 10 years.

These are Mr. Obama's plans. Meanwhile, congressional Democrats would increase spending for their own interests and favorite programs. More important, the Congress will consider itself more important than a freshman president who has never held an executive position, so they will do what they want and he will have to go along with most of it.

What can the Republicans in Washington do to avoid the Europeanization of

America? The obvious answer is to win some elections two years from now to reduce the congressional power of those who favor it. But in the meantime they need stronger, better leadership of their minority party.

Then they need to make the case against each of the issues noted above; why they would be a mistake, what their cost would be to the economy, jobs and people and their families, and what would be a better approach. They will not win all the fights, but on protectionism, higher taxes and broader government regulation they can win the support of a great many Americans. And that might keep America from becoming Europeanized and our people from losing their money, their jobs and the market freedom of our country.

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