

The Hoover Institution Program on American Institutions and Economic Performance

American Institutions and Economic Performance

The United States remains without question a fundamentally free and prosperous country. We enjoy the highest standard of living among major nations. Our system of higher education is arguably the best in the world. Each year, many people throughout the world seek to immigrate to our country. By world standards, the United States remains a land of opportunity.

Yet many Americans believe that the United States should be doing better. Indeed, many believe that, until very recent times, the United States *was* doing better.

The Issues

Today, fundamental concerns about contemporary American life include the following:

* **Sluggish Economic Growth**

Americans widely believe that in recent years there has been a trend in our economy toward providing fewer economic

trend in our economy toward providing fewer economic opportunities and a stagnant, not rising, standard of living.

*** An Expanding Government**

Today, one of the dominant features of our public life is a paradox: The American people are broadly dissatisfied with the expansion and performance of their government, yet there remain enormous pressures for even more government growth.

*** A Weakened Social Fabric**

Americans find themselves faced with increased crime, violence, homelessness, and drug abuse, a rising tide of welfare dependency, a weakening of the institutions of marriage and the family, and public schools that in many instances seem incapable of providing their students with decent educations.

The Program

Against this backdrop of concerns, the Hoover Institution has launched the Program on American Institutions and Economic Performance. The program will undertake a number of related research projects with the following aims:

Documenting the strengths and weaknesses of the American economy.

Identifying changes in social norms and institutions.

Examining the direct effects of government policies on economic performance.

Investigating the indirect effects of government policies.

In particular, the program will examine the ways in which government policies toward families, schools, and

which government policies toward families, schools, and other basic American institutions provide incentives or disincentives for economic growth.

Recommending public policy reforms that seek greater prosperity for Americans.

Making Our Findings Known

The Program on American Institutions and Economic Performance is intended to represent a thorough study of contemporary American life, one that will shape public policy debates well into the next century. Disseminating the program's findings will therefore be of paramount importance. Hoover fellows will employ books, television, videotapes, essays, and editorials to make their work known to policy makers and the public alike.

Two Illustrations

The Program on American Institutions and Economic Performance has two research projects already under way.

One project, devoted to an examination of American education, began with a major conference on the public school system entitled "Choice and Vouchers: The Future of American Education?" Speakers debated a number of public and private voucher systems, all intended to give parents a wider role in choosing the schools their children attend.

A second project, dedicated to congressional reform, also began with a major conference entitled "Congressional Accountability." Topics included the budget process,

Accountability." Topics included the budget process, campaign finance, the role of political parties, and term limits.

Excerpts of both conferences appeared on the Public Broadcasting Service, and essays based on the conferences received wide distribution.

Conferences such as these serve to bring intellectual resources together, permitting scholars and other informed parties to examine vital topics and Documenting the develop lines of inquiry. The conference on school choice, for example, helped shape the new work on education that is now being undertaken as part of the program, whereas the conference on congressional accountability has guided new research that is being pursued on the rules that govern proceedings in the House and Senate.

Projects under Consideration

Research projects under consideration include the following:

Government Fiscal and Tax Policy

The Burden of Government Regulation

How much do agencies such as the Environmental Protection Agency or the Occupational Safety and Health Administration cost private enterprise? Are there more efficient ways of pursuing their aims?

Litigation Reform

Is current litigation practice economically rational? How much do litigation and the associated insurance costs

much do litigation and the associated insurance costs contribute to the price of health care? of manufacturing? of education? Does the legal system show adequate regard for private property, particularly with regard to due process and takings?

Free Market versus Government Solutions

In dealing with problems such as pollution and health care costs, much work in the field of economics suggests that market solutions are far more efficient than government solutions. What is the evidence? Are there government activities that could be privatized?

Social Security

The Social Security system, including Medicare, poses a staggering liability in the years to come. Can it be met? How will it be met?

Crime, Violence, and Illegal Drugs

In recent decades, the rate of crime, especially violent crime, has risen steeply. Why? Has the government war on drugs helped matters or made them worse? What can be done to restore social comity and order?

Welfare Dependency It is often alleged that our welfare system fosters family breakdown, crime, illegitimacy, and illegal drug use. What is the evidence? How can the system be reformed?

Federalism

How did power shift from the fifty states to the government in Washington? Can it be returned?

The Participants

The Program on American Institutions and Economic

The Program on American Institutions and Economic Performance will involve the Hoover Institution's approximately seventy resident fellows--specialists in economics, education, history, international relations, law, political science, and sociology--all of whom combine sophisticated analytic skills with empirical knowledge and experience. Taking advantage of the Hoover Institution's standing as part of Stanford University, the program will draw on the expertise of the Stanford faculty as appropriate. The program will also involve the many scholars, government officials, journalists, and other notable individuals who come to the Hoover Institution as visiting fellows.

The program receives guidance from an advisory board that includes the director of the Hoover Institution, John Raisian, Hoover fellows Gary S. Becker and Milton Friedman, both winners of the Nobel Prize for economics, and Hoover fellow and former Secretary of State George P. Shultz.

Advisory Board

The Program on American Institutions and Economic Performance will involve the Hoover Institution's approximately seventy resident fellows--specialists in economics, education, history, international relations, law, political science, and sociology--all of whom combine sophisticated analytic skills with empirical knowledge and experience. Taking advantage of the Hoover Institution's standing as part of Stanford University, the program will draw on the expertise of the Stanford faculty as

draw on the expertise of the Stanford faculty as appropriate. The program will also involve the many scholars, government officials, journalists, and other notable individuals who come to the Hoover Institution as visiting fellows.

The program receives guidance from an advisory board that includes the director of the Hoover Institution, John Raisian, Hoover fellows Gary S. Becker and Milton Friedman, both winners of the Nobel Prize for economics, and Hoover fellow and former Secretary of State George P. Shultz.

About the Hoover Institution

The Hoover Institution on War, Revolution and Peace, founded by Herbert Hoover in 1919 at Stanford University, is a center for advanced study in domestic and international affairs. The institution contains one of the largest private archives and most complete libraries in the world on economic, political, and social change in the twentieth century. The fellows of the institution emphasize the principles of economic, political, and social freedom in their work, often expressed within the constructs of individual liberty, democracy, and free enterprise. In addition to the Program on American Institutions and Economic Performance, the Hoover Institution is currently pursuing two other major initiatives, the Program on Transitions to Democracy and Free Markets and the Program on International Rivalries and Global Cooperation.

How You Can Help

How You Can Help

For information about how you can support the Program on American Institutions and Economic Performance, please contact



[Back to the Hoover Institution](#)