

What Should President Trump Do Once He's in Office?

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President-elect Donald Trump speaks at Trump National Golf Club in Palos Verdes, Calif., on Sep; 13, 2024. John Fredricks/The Epoch Times



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Commentary

A few months ago I wrote a [piece](#) for FEE on Argentina’s new president, Javier Milei. Milei took on the presidency of Argentina with a particularly pressing challenge: government overspending was driving out-of-control money creation and its by-product—inflation.

Milei’s goal was explicit. He promised to cut government largesse. In my article, I argued that his success in doing so would be entirely dependent on his ability to cut down the bureaucracy. To quote the article:

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Bureaus have no incentive to stop unsustainable spending habits like we have seen in Argentina. If anything, their existence requires them to prevent reforms that take from their agendas and budgets. There is still work to be done. As noted at the beginning of the piece, this is really just the first step in eliminating the bureaucratic bloat. But it is a necessary first step.”



In the United States, we find ourselves in a less urgent situation.



Inflation has caused serious distress and harm for some, but our inflation rate is nowhere near the likes of Argentina. However, it is clear that the United States is *trending* in the wrong direction with respect to government spending. The growth of the United States debt accelerated after Covid and is reaching dizzying levels.

If the United States is unable to rein in spending, a future characterized by hyperinflation the likes of Argentina seems likely. What should the newly elected President Trump do to prevent this? To answer this question, we’re going to borrow wisdom from a group of thinkers dubbed the Late Scholastics.

This was a group of Catholic thinkers from the 16th and 17th centuries who advised royalty and businessmen in their economic dealings. Much of what I write here will be drawn from “[Faith and Liberty: The Economic Thought of the Late Scholastics](#)” by Alejandro A. Chafuen.

Although the Scholastics were situated in the setting of monarchy, their proposals for reining in government over-spending were targeted at the executive, and, in that sense, their advice is entirely

applicable to the U.S. president. The Late Scholastics coalesced around three proposals. Let's look at each one.

Proposal 1: Canning the Court

First, Late Scholastic scholars advised monarchs to shrink the size of their "courts." The court was a group of the executive's advisors, similar to our president's cabinet today. For this advice on shrinking the court, we can turn to Late Scholastic thinker Pedro Fernández Navarrete. Chafuen highlights that Navarrete did not merely recommend stopping the growth of the court; he believed in actively shrinking it. In Navarrete's words:

"... [it is not sufficient] to prevent future enlargement of the royal court. We need to clean it up and purge it of its present excess of hangers-on. People may say that this is an extreme suggestion since the court supports so many people, but the disease has become so grave and so evident that we have no excuse not to employ the remedy."

These "hangers-on" in the court generated demand for the king to increase spending, but added very little. As a result, spending grew, and taxes and currency debasement along with it. Our modern bureaucrats are no different.

Chafuen points out how Navarrete compares this to bloodletting. You may lose some good blood (good bureaucrats), but it is necessary to do so in order to lose the bad blood (bad bureaucrats).

Similar to Milei, if Trump is serious about dealing with our debt, cutting the bureaucratic fat should be the first goal on the table.

It seemed unlikely that we would have gotten this sort of policy from the left. Joe Biden drew controversy recently by claiming that Donald Trump should be locked up... politically (whatever that means). In his comments which immediately preceded this claim, Biden was lamenting Trump's Supreme Court immunity decision and, right before that, he expressed worry about Trump cutting bureaucracy.

President Biden said of Trump, “He is talking about doing away with the entire Department of Education This is the guy who also wants to replace every civil servant—every single one.” It seems that removing executive bureaucracies and bureaucrats would be within the rights of the executive, but, if Biden is any indication, we wouldn’t have seen a President Harris exercising that authority.

Trump, as of now, seems poised to do this. He has already [said](#) he is working on closing up the Department of Education in Washington DC (though it’s unclear if he is talking about ending the department entirely or just reorganizing and relocating it). If Trump follows through on this promise, made by many-a-republican before him, it will be a sign he is taking this advice seriously.

Proposal 2: Sacrificing Subsidies

The second proposal is a little more straightforward but still important. Late Scholastic thinker Juan de Mariana argued that the king should cut back on subsidizing private interests. Chafuen chronicles Mariana’s list of worries which included spending on “public prizes... pensions, benefits, and offices.”

The subsidization of pensions and retirement in general is not a foreign worry for the United States. A significant amount of tax revenue goes to keeping Social Security, Medicare, and Medicaid systems afloat. Over one-fifth of government spending goes to Social Security. The program has grown so expensive that within the next two decades it will run out of money, forcing either a benefit decrease or a tax increase.

This is to say nothing of the corporate bailouts and COVID stimulus subsidies we’ve come to accept over the last few years. Meanwhile, many are agitating for more bailouts in the form of loan forgiveness of various kinds.

Finally, private subsidies are given in large amounts to the industry we’ll discuss in our last proposal: the military-industrial complex.

Proposal 3: Pursuing Peace

The final proposal we'll cover, also from Mariana, is that the king should stop pursuing "unnecessary wars and nonessential enterprises." It's long been recognized that "[war is the health of the state.](#)"

War funnels private tax dollars to special interest groups, who in return support hawkish politicians. Wars also create a large class of bureaucrats who, as we discussed, generate more demand for foreign intervention.

The United States has nearly [800 military bases](#) across the world. The two decades of military intervention that followed the 9/11 attacks have cost the United States an [estimated](#) \$9 trillion. That's more than a quarter of our national debt.

The common theme throughout history is that great military powers tend to over-extend their empires. This over-extension both generates multiple fronts of conflict and creates resource stresses at home which are by and large borne by the citizens.

President John Quincy Adams (son of founding father John Adams) summed up America's commitment to freedom and to the citizenry well in a speech to the U.S. House in 1821:

"Wherever the standard of freedom and independence has been or shall be unfurled, there will her heart, her benedictions, and her prayers be. But she goes not abroad in search of monsters to destroy. She is the well-wisher to the freedom and independence of all. She is the champion and vindicator only of her own."

If Trump is serious about tackling our spending problem, he needs to get serious about the modern tendency of spending our resources searching for, fighting, and even creating monsters abroad. No country can afford to be the policeman for all other countries, nor is such a job compatible with America's foundational liberal values.

It's my hope that Trump will finally break the cycle of ignoring our looming debt issues. The proposals of the Late Scholastics would be a great place to start.

From the [Foundation for Economic Education \(FEE\)](#)

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