

THE PRICE OF LIBERTY: PAYING FOR AMERICA'S WARS¹

REVIEWED BY MAJOR S. CHARLES NEILL²

*What do you think? If a man owns a hundred sheep, and one of them wanders away, will he not leave the ninety-nine on the hills and go to look for the one that wandered off? And if he finds it, I tell you the truth, he is happier about that one sheep than about the ninety-nine that did not wander off.*³

In *The Price of Liberty: Paying for America's Wars*, Robert T. Hormats,⁴ examines how the United States has financed every major armed conflict from the Revolutionary War to the War on Terror, as well as Cold War rearmament.⁵ He uses this historical analysis to support a simple argument: "The long war on terrorism requires a sound long-term financial strategy."⁶ He concludes that a "sound" strategy means that debt should only be assumed in emergencies and that the government must promptly re-pay the debt to preserve the country's creditworthiness and, thereby, its ability to borrow money in the future.⁷ Beyond fiscal policy, *The Price of Liberty* is also about a leader's responsibility to make hard choices and to bear the brunt of those choices.⁸ In a broader sense, Hormats uses his book to call stray sheep back to the fiscal fold and argue for a new direction in the War on Terror. Unfortunately, the book fails to draft a real roadmap for this new direction and dismisses the difficult political consequences of changing course.

The Price of Liberty devotes its first chapter to Alexander Hamilton's tenure as the first Secretary of Treasury and his principled stance to honor the nation's debts.⁹ Using a technique that is repeated throughout the book, Hormats flushes out historical details to illustrate fiscal leadership.¹⁰ In 1782, the new Congress assumed the debts of the Confederation Congress, including "debt certificates" issued to buy goods and services during the war.¹¹ Hamilton fought to ensure the new government valued these debt certificates equally, despite a popular proposal for Congress to pay wealthy speculators less for their bonds.¹² Hamilton ultimately prevailed and his vision and fortitude set the standard with which we measure other fiscal policy makers.¹³

¹ ROBERT D. HORMATS, *THE PRICE OF LIBERTY: PAYING FOR AMERICA'S WARS* (2007).

² U.S. Army. Student, 56th Judge Advocate Officer Graduate Course, The Judge Advocate General's Legal Ctr. & Sch., U.S. Army, Charlottesville, Va. The author thanks Lieutenant Colonel Ian Corey for suggesting this book and for his invaluable comments and suggestions for this review.

³ *Matthew* 18:12–13.

⁴ Hormats is the vice-chairman of Goldman Sachs (International) and Managing Director for Goldman, Sachs & Company. Gerald L. Musgrave, *The Price of Liberty: Paying for America's Wars*, 42 BUS. ECON. 60 (July 2007) (reviewing ROBERT D. HORMATS, *THE PRICE OF LIBERTY: PAYING FOR AMERICA'S WARS* (2007)). He has spent most of his professional life advocating free trade and globalization and worked in public service as an assistant Secretary of State and economic advisor to Henry Kissinger. *Id.*

⁵ HORMATS, *supra* note 1. In January 1790, Alexander Hamilton, the first Secretary of Treasury, wrote that the debt of the Revolutionary War was the "price of liberty." *Id.* at xiv.

⁶ *Id.* at xxi.

⁷ *Id.* at 90, 299.

⁸ *See id.* at 280–81.

⁹ *Id.* at 1–27.

¹⁰ *See id.* at 19–20 (in a contentious debate, Secretary Hamilton successfully persuaded the federal government to assume the states' debts from the Revolutionary War); *id.* at 72–73, 92 (during the Civil War, President Abraham Lincoln and his Secretary of Treasury structured income and inheritance taxes to target the wealthy); *id.* at 161–62 (during World War II, President Franklin D. Roosevelt vetoed a popular revenue act that would not accrue sufficient funds and would grant "indefensible special privileges to favored groups").

¹¹ *Id.* at 15–16. These bonds were initially issued to farmers, veterans, and merchants, but speculators later bought them for pennies on the dollar when the Confederation looked insolvent. *Id.* at 16.

¹² Several members of the new Congress resented speculators who had purchased certificates for "bargain prices" when the Confederation government looked insolvent; these members proposed paying speculators using a complicated formula that would repay the original certificate holder the money he or she lost selling the bond, after which the speculator would receive the bargain purchase price plus interest. *Id.* at 16. Hamilton opposed the sliding scale for bond payments, heeding philosopher Montesquieu's warning that "a breach in public faith cannot be made on a certain number of subjects without seeming to be made on all." *Id.* at 17.

¹³ *Id.* at 17.

More than three generations later, Abraham Lincoln mandated that the Civil War be financed with an “equity of economic sacrifice.”¹⁴ In August 1861, Congress passed the first national income tax, which affected only the very wealthy.¹⁵ Throughout the Civil War, the rich carried the bulk of the income tax burden.¹⁶ To finance the escalating conflict, the tax rate steadily increased and, with almost every increase, a faction of congressional leaders and newspapers derided the financial choices.¹⁷ Like many of the stories in *The Price of Liberty*, the facts are not as important as the fortitude of the decisionmakers. Lincoln was determined to hold the Union together and implored a system of equitable taxation; as Hormats correctly concludes, “[P]olitical resentment was reduced because the wealthy had to pay an income tax and an inheritance tax.”¹⁸ As set forth below, the nation’s populist demand for shared sacrifice during the Civil War grew exponentially during the first world war.

During the build-up to World War I, Americans embraced progressive finance.¹⁹ Like the income tax structure during the Civil War, the pre-World War I system excluded the vast majority of citizens, and added a progressive surtax on higher incomes.²⁰ In mid-1915, when America was on the brink of war, Secretary of Treasury William McAdoo assumed the monumental task of financing the nation’s armed forces.²¹ Unlike the prior wars, which were fought with rifles and cannons, McAdoo had to finance planes, tanks, ships, and a huge force for a war fought an ocean away.²² On 2 April 1917, Woodrow Wilson made the case for war to a joint session of Congress and candidly described the projected costs.²³ Once the United States entered the war, citizens bought war bonds en masse, thus effectively giving normal Americans a shared stake in the war.²⁴

Franklin D. Roosevelt advanced “shared sacrifice” during World War II, overcoming incredible and bitter disputes with Congress. As background, Hormats lays out Roosevelt’s fiscal philosophy; because of a “sense of tax justice,” Roosevelt favored a “highly progressive tax system with a minimum burden on those with low incomes.”²⁵ Several books have documented Roosevelt’s battles with Congress during World War II,²⁶ so Hormats focuses on the President’s decision to make the case for sacrifice directly to the electorate.²⁷ Roosevelt’s plea to the people worked; Congress passed the 1942

¹⁴ *Id.* at 58.

¹⁵ *Id.* at 66. The tax was a flat 3% on incomes above \$800, while the average annual income was \$150. *Id.*

¹⁶ Hormats accurately labels this tax policy “The Sacrifice of the Wealthy.” *Id.* at 71. In 1862, the new revenue bill set a 3% tax bracket for those making \$600 in annual income, with a 5% tax rate for those making over \$10,000. *Id.* at 68. In 1864, the first bracket rose to 5%, a new 7.5% bracket was set for those making between \$5,000 and \$10,000, and the top bracket increased to 10%. *Id.* at 72.

¹⁷ Senator Ira Harris claimed, “‘The very best men in New York by hundreds, nay thousands, have been crushed and overthrown’ by the income tax.” *Id.* at 72. *The New York Express* claimed the graduated rate structure put “an exclusive burden on industry, enterprise, and labor.” *Id.* at 73.

¹⁸ *Id.* at 93.

¹⁹ The Progressive Movement focused on overhauling the tax system to weaken the corporate forces that Progressives believed disproportionately influenced government. *Id.* at 100. In 1898, millionaire Andrew Carnegie triggered the popular progressive movement, arguing that “concentration of wealth” was fundamentally inconsistent with the “American system of equality and democracy.” *Id.*

²⁰ *Id.* at 104.

²¹ *Id.* at 106–07.

²² *Id.* at 107. Hormats calculates that “the federal government spent ten times more paying for World War I than it had for the Civil War.” *Id.*

²³ *Id.* at 113 (summarizing Wilson’s warnings that the government would have to borrow “adequate credit” and that the costs of war should be “sustained . . . as far as they can equitably be sustained by the present generation, by well conceived taxation”). Once the United States entered the war, McAdoo successfully marketed “Liberty Bonds” directly to the American people. *Id.* at 121–22. McAdoo’s policy of “capitalizing patriotism” flourished, with widespread volunteer bond drives that became the “financial front” for the war. *Id.* at 123. To his credit, McAdoo’s treasury department issued small-denomination bonds (valued at \$50 and \$100); over 19 million Americans fought on the financial front by buying these less-expensive bonds. *Id.* at 125.

²⁴ *Id.* at 132–33 (“During World War I, high levels of patriotism at the outset, combined with populist and progressive support, enabled the government to transform the country’s tax system and sharply increase revenues.”).

²⁵ *Id.* 151. Roosevelt vehemently opposed a national sales tax, terming it a “spare-the-rich” tax because of its disproportionate impact on citizens with lower incomes. *Id.* at 154.

²⁶ See generally DORIS KEARNS GOODWIN, NO ORDINARY TIME: FRANKLIN AND ELEANOR ROOSEVELT: THE HOME FRONT IN WORLD WAR II 486 (1994) (following a call from the Senate Majority Leader to override Roosevelt’s veto of a spending bill, “practically every senator stood on his feet and clapped,” showing widespread opposition to Roosevelt).

²⁷ For example, to preempt opposition against rationing, Roosevelt asked citizens to accept “the blunt fact . . . that every single person in the United States is going to be affected by this program.” HORMATS, *supra* note 1, at 155. True to his word, Roosevelt ensured that everyone, regardless of position or income, received the same allotment of ration stamps. *Id.* Later, facing Congressional opposition to the Revenue Act of 1942, Roosevelt took his case to the people in a fireside chat: “[W]ars are not won by people who are concerned primarily with their own comfort, their own convenience, and their own pocketbooks.” *Id.* at 156.

revenue act which doubled the number of taxpayers and increased the rates for income taxes, estate taxes, and corporate taxes.²⁸ The FDR model stands as a lesson about genuine sacrifice shared in a country united by a purpose. Unfortunately, as set forth below, Presidents over the next six decades slowly muted Roosevelt's call for shared sacrifice.

In four chapters on the Cold War, Hormats painstakingly recounts the fiscal challenges of the Korean War, Vietnam War, and Reagan-era rearmament.²⁹ Despite the bottomless well of detail in these chapters, each conflict offers only minor significance in the context of financing armed conflicts. During the Korean War,³⁰ which spanned the administrations of Harry Truman and Dwight Eisenhower, the public slowly withdrew support when there were no "clear-cut military results."³¹ Following that conflict, Eisenhower believed the Cold War would be fought for decades, so he capitalized on his military experience to employ long-term military budget planning and the public supported his plans.³² Unfortunately, the Eisenhower approach was largely abandoned by Lyndon Johnson.³³

During the initial escalation of the Vietnam War, Johnson assured the public that "no major tax or spending changes were necessary, calmly asserting that the conflict in Vietnam" would not affect domestic programs.³⁴ Instead of asking for shared sacrifice, Johnson aimed to keep the war as "painless and concealed as possible."³⁵ Ultimately, Johnson did not honestly disclose the costs of war and the public lost trust in his fiscal policies.³⁶ Taking a page from Johnson's script, Ronald Reagan assured the public that his "bold rearmament plan and equally bold tax cuts" could be accomplished with no real sacrifices from the citizenry.³⁷ Reagan managed this hat trick with significant deficit spending and, eventually, tax increases.³⁸ The Reagan legacy is notable for the unprecedented peacetime military build-up, but "Ronald Reagan did not see it as a time of peace."³⁹ Against this historical background, Hormats implies that George W. Bush has fashioned himself in the Reagan mold, but has actually mirrored Johnson.

In his analysis of Cold War military spending, Hormats meanders without developing a clear thesis. The lessons learned from this era, according to Hormats, are so pedestrian that they deviate from the more-cogent early chapters. For example, from the Korean War, Eisenhower "saw how the country turned away from supporting high military budgets when the conflict stalled."⁴⁰ This conclusion, that the public will stop supporting an unpopular war, is so self-evident that the lengthy historical summary seems superfluous. Similarly, historians should learn from Johnson the simple accounting principle that the budget cannot support robust social programs and a major armed conflict unless revenue is increased.⁴¹ Hormats dismisses the real lessons from this era that Presidents routinely oppose necessary tax increases to bolster support for war. Each leader assesses the tipping point of the American people, determining when a shared sacrifice will become an unsupportable burden. This political balancing act would have made for a more interesting read.

²⁸ *Id.* at 157.

²⁹ *Id.* at 173–250.

³⁰ The United States never formally declared war against North Korea; Truman labeled American intervention as a "police action." *Id.* at 184.

³¹ *Id.* at 204.

³² *Id.* at 205 (noting that Eisenhower "lectured his administration colleagues and members of Congress that defense budgets had to be structured for a decades-long war, not a relatively quick conflict.).

³³ *Id.* at 225–26.

³⁴ *Id.* at 209.

³⁵ *Id.* at 210 (quoting Johnson biographer Doris Kearns Goodwin).

³⁶ *Id.* at 225.

³⁷ *Id.* at 229–31. As Hormats succinctly writes, "Americans were especially willing to support the president's bold rearmament plan because they were not asked to endure higher taxes to pay for it." *Id.* at 231. Budgets were plagued by deficits, but Reagan deflected criticism with "wildly optimistic deficit projections." *Id.* at 236.

³⁸ *Id.* at 250.

³⁹ *Id.* at 227.

⁴⁰ *Id.* at 205.

⁴¹ *Id.* at 225–26.

In the final chapter on George W. Bush, Hormats concludes that the administration often misled the country about the Iraq War by giving false short- and long-term estimates.⁴² As examples, in Fall 2002, a White House official publicly estimated the war would cost between \$100 and \$200 billion; within days, the Office of Management and Budget (OMB) offered an estimate of \$50 to \$60 billion.⁴³ Then in September 2003, the administration sent Congress the first of several emergency supplemental bills, requesting an additional \$87 billion for operations in Afghanistan and Iraq.⁴⁴ President Bush sent similar supplemental spending legislation to Congress in 2004, 2005, and 2006, often within weeks of sending normal annual budget requests.⁴⁵ Hormats criticizes this use of supplemental spending for expenditures that he believes the Department of Defense should have been able to reasonably predict, to include post-conflict operations in Iraq and Afghanistan.⁴⁶ Using parsed phrasing normally reserved for politicians, Hormats carefully notes, “Bush administration officials defended their approach, using arguments that earlier had caused the Johnson administration to lose its credibility.”⁴⁷ In more precise terms, the administration used supplemental requests to fund operations in Iraq and Afghanistan without real Congressional oversight, creating faux emergencies that supposedly required immediate budget approval.⁴⁸ The Iraq Study Group criticized these supplemental appropriations for eroding “budget discipline and accountability.”⁴⁹ Because the supplemental requests are generally not reviewed with the rest of the federal budget, Congress and the administration can avoid the tough budgetary choices (and attendant debate) that are supposed to ensure accountability.⁵⁰ While Hormats lays much of the blame for this economic shell game at the steps of the White House, he laments that Congress failed to create a “long-haul strategy” for taxes, discretionary spending, and entitlements, that would make more funding available for the military.⁵¹ Ironically, during consideration of the 2005 supplemental spending bill, several senators claimed they would vote against future supplemental bills, only to approve them in the following two years.⁵²

The Price of Liberty blossoms on the rare occasions that it tackles leadership. Hamilton believed a well-defined debt was a “national blessing” because it unified the country and Lincoln believed that war bonds made normal citizens shareholders in the Union’s victory.⁵³ These fiscal policies should be one part of a larger plan to rally the nation behind a war and are missing in the war on terrorism. In a pointed critique of Bush, Hormats summarizes FDR’s bitter disputes with Congress and

⁴² *Id.* at 263–64.

⁴³ *Id.* at 263 (noting that “White House economic advisor Lawrence Lindsey publicly estimated that a war with Iraq could cost roughly \$100 billion to \$200 billion,” an estimate that Mitch Daniels, Director of the Office of Management and Budget dismissed as “very, very high” before offering his own prediction that “\$50 billion to \$60 billion was more likely”). Secretary of Defense Donald Rumsfeld publicly claimed the OMB estimate was “something under \$50 billion,” and went so far as to dismiss a question about a \$300 billion estimate as “baloney.” *Id.*

⁴⁴ *Id.* at 266. At the time, Congress was already reviewing a \$400 billion defense bill. *Id.*

⁴⁵ *Id.*

⁴⁶ *Id.* at 266–67.

⁴⁷ *Id.* at 266.

⁴⁸ For example, an \$82 billion emergency supplemental bill in 2005 included \$5 billion for modularizing brigades, a program that was publicly announced in 2003. Jonathan Weisman & Shailagh Murray, *Congress Approves \$82 Billion for Wars*, WASH. POST, May 11, 2005, at A1.

⁴⁹ HORMATS, *supra* note 1, at 267.

⁵⁰ See generally Weisman & Murray, *supra* note 48, at A1 (“Members of Congress complain that the emergency process denies lawmakers’ oversight powers and keeps Iraq costs off the deficit projections for future years.”).

⁵¹ HORMATS, *supra* note 1, at 277–78.

⁵² In 2005, Senator Chuck Hagel called the supplementals “dangerously irresponsible.” Weisman & Murray, *supra* note 48, at A1. Senator John McCain similarly said: “We’re more serious. We all know what’s being done. There’s greater and greater resistance.” *Id.* *The Washington Post* even quoted an unnamed “senior GOP congressional aide” as saying the 2005 supplemental spending bill “is going to be the last one.” *Id.* However, in 2006, Congress passed a \$94 billion “emergency” supplemental appropriation to fund operations in Iraq and Afghanistan as well as relief projects related to Hurricane Katrina; the bill provided \$65.8 billion for military operations and was immediately signed by the President. Robert Pear, *Bush Signs Spending Bill for Wars and Hurricanes*, N.Y. TIMES, June 16, 2006, at A24. Despite the rhetoric surrounding the 2005 supplemental bill, the Senate passed the 2006 bill by a vote of 98 to 1. *Id.* Senator McCain, though he voted for the 2006 bill, again criticized the use of supplemental spending measures: “We are carving gigantic holes in the system. Since 2001, the administration has sought to fund the war operations almost entirely through emergency supplemental appropriations measures.” *Id.* Senator John W. Warner, Chairman of the Armed Services Committee, echoed Senator McCain’s sentiments, though he also voted for the supplemental, arguing: “It is now time for the administration to present these costs as part of the regular budgeting process.” *Id.* Finally, in May 2007, Congress passed another emergency supplemental appropriation for Iraq and Afghanistan; the measure provided \$96 billion for military operations and passed the House by a vote of 280 – 142 and the Senate by a vote of 80 – 14. *House Votes*, WASH. POST, May 31, 2007, at GZ19. By mid-2007, seven supplemental appropriations bills were passed by Congress to fund operations in Iraq and Afghanistan. Mark Udall, *Changing Course in Iraq*, DENV. POST, June 6, 2007, at B7.

⁵³ HORMATS, *supra* note 1, at 82.

adds that “there is no evidence that the president ever accused legislators of a lack of patriotism.”⁵⁴ In the last four paragraphs of a short chapter on the Vietnam War, Hormats chastises Lyndon Johnson’s “stubborn stance against tax increases,” his “refusal to level with the American people” about the price of fighting the war while maintaining the Great Society, and his decision to issue “years of confusing budget numbers and cost underestimates.”⁵⁵ The author concludes that this trifecta “destroyed congressional and public trust in the president and his fiscal policies.”⁵⁶ Again, the parallel to Bush is unmistakable.

The leadership critique has been the subject of better books. I read *The Price of Liberty* just weeks after finishing Ron Suskind’s markedly better *The Price of Loyalty: George W. Bush, the White House, and the Education of Paul O’Neill*.⁵⁷ Where *The Price of Liberty* often reads like a series of footnotes looking for text, the Suskind book paints a vivid picture of the decision-making process in the Bush White House, viewed by former Secretary of Treasury Paul O’Neill. In one passage, O’Neill recalls a lengthy economic working session with Bush and senior staff members.⁵⁸ Following a back-and-forth between the principals, O’Neill is shocked by the meeting’s “haphazard, improvised quality, the way portentous issues had been raised and spun and tossed about, untethered by the weight of their consequences.”⁵⁹ Hormats’ book uses historical anecdotes to criticize the Bush administration for not making tough, unpopular decisions necessary to finance the war on terrorism,⁶⁰ but the O’Neill account concludes the current White House has a broken policy apparatus that fails to cogently consider options.⁶¹ While both may be fair arguments, the current war is vastly different from both the Civil War and World War I, and the citizens governed by Bush are vastly different from those governed by Lincoln or Wilson.⁶² It seems unfair to judge Bush against history when the war waged against a hidden enemy instead of another nation and the times are so different.

In his attempt to pull the stray administration into the fold, Hormats offers a series of solutions to funding the War on Terror. Unfortunately, the solutions are too vague for a reader to reasonably gauge them.⁶³ Even if these solutions could be measured, *The Price of Liberty* fails to account for the political realities that cause presidents to claim the country can afford “guns and butter alike.”⁶⁴ Without assessing the political consequences of his proposals, Hormats fails to present a complete

⁵⁴ *Id.* at 171.

⁵⁵ *Id.* at 225.

⁵⁶ *Id.*

⁵⁷ RON SUSKIND, *THE PRICE OF LOYALTY: GEORGE W. BUSH, THE WHITE HOUSE, AND THE EDUCATION OF PAUL O’NEILL* (2004) (summarizing Paul O’Neill’s two-year tenure as Treasury Secretary, including several closed-door planning sessions between O’Neill and Bush).

⁵⁸ *Id.* at 295–306.

⁵⁹ *Id.* at 306. See also *id.* at 44 (“Without a process that included strongly positioned honest brokers and a rigorous, disinterested vetting of various proposals, O’Neill said, ‘all you’ve got are kids rolling around on the lawn.’”).

⁶⁰ In his introduction, Hormats examines Bush’s policy during this “war on terrorism” and asserts that the administration’s financial decisions during the war have been a “substantial departure from past practices,” particularly the decision to adopt a “wave of nonsecurity-related spending, including billions of dollars for items of low national priority.” HORMATS, *supra* note 1, at xviii.

⁶¹ SUSKIND, *supra* note 57, at 97 (“It was a broken process, O’Neill thought, or rather no process at all; there seemed to be no apparatus to assess policy and deliberate effectively, to create coherent governance.”). John DiIulio, former head of the Bush Administration’s Faith-based Initiative, similarly provided a 3,000-word memorandum to a reporter “articulating his concerns that the administration lacked even the most basic policy apparatus.” *Id.* at 322.

⁶² R. Randall Kelso, *Narcissism, Generation X, the Corporate Elite, and the Religious Right Within the Modern Republican Party: A Set of “Friendly” Observations for President Bush*, 24 CARDOZO L. REV. 1971, 1982–83 (2003) (noting that Generation X is made up of individuals born from 1961 to 1981 who generally “have short attention spans, want immediate gratification, and want information packaged easily for them and presented in a spoon-fed manner,” traits that are “typical of children who have never grown up”). But see Bryan G. Stewart, *Generation X at War*, ORLANDO SENTINEL, Apr. 26, 2003 (“I am proud to be a member of Generation X, which is sometimes described as those born between 1965 and 1980. . . . As the war progresses in Afghanistan and Iraq, I have seen the acts of my chronological peers, and they are not acts of self-indulgence. They are acts of bravery, determination, and sacrifice.”); Thomas L. Friedman, *Generation Awaits Call to Greatness*, BALTIMORE SUN, Dec. 12, 2001, at 27A (“There is a deep hunger in America post-Sept. 11 in many people who feel this is their war in their back yard, and they would like to be summoned by the president to do something more than go shopping.”). In the month following the September 11th attacks, Bush “urge[d] Americans to go shopping, get on an airplane—in effect, to live normal lives.” *Washington’s Mixed Message*, N.Y. POST, Oct. 12, 2001, at 36. In December 2006, five years after the attacks, President Bush echoed these comments in prepared remarks at a press conference, saying to the American people, “I encourage you all to go shopping more,” while also saying “this war on terror is the calling of a new generation.” Dana Milbank, *Having a Loud Microphone, With Not Much to Say*, WASH. POST, Dec. 21, 2006, at A2.

⁶³ See HORMATS, *supra* note 1, at 294 (“[T]he Pentagon will have to constantly reallocate resources to meet fundamental priorities”); *id.* at 288 (“Unless mandatory payments are reined in . . . America’s defense and homeland security expenses, will be squeezed.”).

⁶⁴ Biographer Doris Kearns Goodwin wrote that Johnson, during Vietnam, “flatly refused to consider a tax increase, sticking to his initial position that the American nation could afford guns and butter alike.” *Id.* at 210.

proposal for fiscal change. The widespread use of emergency supplemental appropriations to fund military operations may be one of the most important fiscal issues of the day, but Hormats does not address the quid pro quo relationship between Congress and the White House that sustains emergency spending bills.⁶⁵ For a book so entrenched in the details and history of fiscal decision making, the short shrift given to actually fixing current fiscal problems is glaring.

The Price of Liberty is a dense and challenging book that ultimately rewards the reader who can work through it. Fiscal issues, particularly during armed conflicts, are not glamorous but they are vitally important. The way the United States funds a war is not only important for victory but also a reflection of the nation's values. In describing fiscal hardships from prior conflicts, Hormats extols the simple virtues of conservative spending and shared national sacrifice, suggesting that those are the values that should define our nation. In many ways, *The Price of Liberty* is a guide for future shepherds. Its historical lessons prove that real leaders can steer a flock down the right path, even if the path is difficult. The only open question is whether we have shepherds willing to accept the challenge of moving the flock in the right direction.

⁶⁵ The supplemental appropriations for Iraq and Afghanistan routinely include unrelated (and costly) spending. For example, the Senate attempted to add the following to the 2006 supplemental: "\$4 billion for agricultural subsidies, \$1.1 billion for the Gulf Coast fishing industry, \$594 million for highway projects unrelated to Hurricane Katrina, and \$700 million for rerouting a rail line in Mississippi." Jonathan Weisman, *Unrelated Items Part of Iraq Bills Since War Began*, WASH. POST, Apr. 4, 2007, at A3. In that same bill, Bush requested "\$2.3 billion for bird flu preparations" as well as "\$2 billion to fortify the border with Mexico and pay for his effort to send National Guardsmen to the southern frontier." *Id.* The president and members of Congress benefit from the lack of accountability and urgency of these supplemental appropriations, so they will likely continue. *See id.* ("[I]n almost all cases over the past four years, special-interest funding provisions have been the fruits of congressional opportunism by well-placed senators or House members grabbing what they could for their constituents on the one bill that had to be passed quickly.").