

A Conversation with MITCH DANIELS

Mitch Daniels served as director of the Office of Management and Budget (2001-03), governor of Indiana (2005-13), and currently is president of Purdue University. In this conversation, Daniels reflects on his career in politics, business, and education, including his leadership of Eli Lilly and Company and his remarkable tenure as a reform-minded governor. Daniels also articulates his view of the proper role of government at both the federal and state levels: limited, but effective within its sphere. Daniels and Kristol also discuss the state of intellectual freedom on campus.

On private sector experience, Daniels says: In the gubernatorial experience, we never surrendered to the idea that things were fated to be either impossible or impossibly slow. I think we enjoyed a number of successes that people found surprising. We were very fortunate. Instrumental in that becoming so, was our ability to bring [in] a lot of people who had private sector experience. I was told recently that at just around 20% this current administration has the fewest people—with any, with a day—of private sector experience in American history. And our [government in Indiana] was quite the reverse of that.

On limited, effective government, Daniels says: I've always felt strongly that we can argue about the proper sphere of government. It should be dramatically more limited than it usually is these days. But inside that sphere there's a responsibility to make it work effectively... [At OMB] we put a lot of effort into...program assessment. The [plan] was we would take five years but move through all the programs of the federal government and assess them for their effectiveness. Do they work or don't they? You would identify the things that are working. You might want to invest some more resources in them. The ones that aren't working you might want to stop doing...Sooner or later you'd like to think the federal government will [get serious about doing this].

On our addiction to spending, Daniels says: We've become desensitized to [fiscal excess]. [After 9/11] I had no doubt at all that we had to deal with the [threat of terrorism], whatever it took. But, after WWII, for instance, when the nation went to war, there were major reductions in other spending to make it possible. [I made this] appeal. And you know how deaf were the ears that that fell on. Congress was happy to chuck in more money both for prosecuting the war, but also the stuff that came along with it, without reducing anything else to make room for it.

Chapters in MITCH DANIELS Conversation

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