

INSIDE:
CIVIL RIGHTS
AGENDA

\$1.50

RIPON

forum

VOL. XXVII NO. 1

MARCH 1991

NEW WORLD OBLIGATIONS

The Need for Burden Sharing in the 21st Century



EDITOR'S COLUMN

At this point in his tenure, the recurring themes of George Bush's administration are a call for a "New World Order" in foreign relations and a "New Paradigm" for domestic policy. The specifics of these aims have not been well-defined, however. Certain ideas, like parental choice in education and tenant management of public housing, are indeed part of the public debate. But more initiatives must be forthcoming.

In this issue of the *Forum*, we attempt to provide some specifics. A *Forum* editorial outlines six principles toward which President Bush should push the new world order. Editorial board member Steven Klinsky also makes the case for allied burden-sharing and monetary reform, two aims which must be essential to modern foreign policy making.

The *Forum* has long pushed burden-sharing, and in this issue Klinsky takes the idea a step further by re-presenting the case for a "Free World Fund" to aid international decision makers. (Klinsky also proposed this idea in the March 1990 *Ripon Forum*.)

On the domestic policy front, new *Forum* editorial board member Peter Smith, who served Vermont in the House of Representatives during the 101st Congress, outlines a "Community-Based Services Reconstruction Act." According to the former Vermont lieutenant governor, the aim of this policy must be to promote decentralized decision making and local accountability for outcomes.

In presenting an analysis of the "New Paradigm," *Ripon Society* President Don Bliss also offers suggestions for moderate Republicans about how to view domestic policy. And in an interview with the *Forum*, U.S. Civil Rights Commission Chairman Arthur Fletcher discusses a variety of civil rights matters. According to Fletcher, when the White House and Congress square off again this year on civil rights legislation, rights issues should not be confused with welfare policy. Instead, civil rights legislation should now be cast as a national security issue. Without workforce training, he says, all Americans stand to lose.

-- Bill McKenzie

TABLE OF CONTENTS

EDITOR'S COLUMN	2
PROFILES AND PERSPECTIVES	
A Conversation with Arthur Fletcher	3
A BRAVE "NEWER WORLD" REVISITED	
Steven B. Klinsky	7
EDITORIALS:	
Seeing Over the Horizon:	
The New World Order	8
HAS THE TIME (FINALLY) ARRIVED FOR CAMPAIGN FINANCE REFORM?	
Ken Ruberg	10
RADICAL RECONSTRUCTION OF DOMESTIC POLICY:	
The Community-Based Services Reconstruction Act of 1991	
Peter Smith	12
RECONCILING THE NEW PARADIGM WITH DARMANISM	
Donald T. Bliss, Jr.	14
LETTERS TO THE EDITOR	15
IN APPRECIATION, SILVIO O. CONTE	16
FROM REMEDIAL PROGRAMS TO PREVENTIVE MEASURES:	
Policy Options for the '90's	
Pete Wilson	20
THE CHAIRMAN'S CORNER	
The Gulf War and Support on the Home Front	
William Clinger	22
709 SECOND STREET	23
WASHINGTON NOTES AND QUOTES	24

RIPON *forum*

Editor: William P. McKenzie

Production Director: Bradley E. Kendall

Editorial Assistant: Marlin Shearer

Editorial Board:

David A. Fuscus	Peter Smith
Stephen A. Messinger	Mariann Kurtz
Alfred W. Tate	Steven B. Klinsky
Jean Hayes	Terrence M. O'Sullivan

Design Consultant: R.J. Matson

Photographer: Bradley E. Kendall

THE RIPON FORUM (ISSN 0035-5526) is published bi-monthly in 1991 by The Ripon Society. Contents are copyrighted 1991 by the Ripon Society, Inc., 709 Second Street, N.E., Washington, D.C. 20002.

In the publication the Society hopes to provide a forum for fresh ideas, well researched proposals, and a spirit of creative criticism and innovation in the Republican

Party. Manuscripts and photographs are solicited, but do not represent the views of the Society unless so stated.

Second class postage and fees paid at Washington, D.C. and additional mailing offices. Postmaster: Send address changes to Ripon Forum, 709 Second Street, N.E., Washington, D.C. 20002.

Subscription rates: \$25 per year, \$17.50 for students, servicemen, Peace Corps, Vista and other volunteers. Overseas, please add \$6. Please allow five weeks for address change.

The Ripon Society Inc., Donald T. Bliss, Jr., president, is a Republican research and policy organization whose members are business, academic, and professional men and women. It is headquartered in Washington, D.C., with National Associate members throughout the United States. Ripon is supported by chapter dues, individual contributions, and revenues from its publications.

A Conversation with Arthur Fletcher



Arthur Fletcher

George Bush appointed Arthur Fletcher chairman of the U.S. Civil Rights Commission in February 1990. But the longtime Republican figure is hardly new to the civil rights debate. In fact, 20 years earlier Richard Nixon appointed Fletcher an assistant secretary of labor for employment standards. The Kansas Republican's primary aim became the challenge of discriminatory practices in federal contracting.

In this interview with Ripon Forum editor Bill McKenzie, Fletcher outlines the relevance of the "Philadelphia Plan," which he launched in 1969 to fight such discrimination. Fletcher also discusses the importance of viewing modern civil rights issues as related to our national security. Says Fletcher: "Civil rights is not just about justice and fair play. The issue is, will America have a workforce that can compete? It is in our national interest to train people to produce to the best of their ability."

Arthur Fletcher opposed George Bush's veto of the 1990 Civil Rights Act, and in this interview he states that America is not dealing well with its racial problems. In fact, the former pro football player says, some opponents of civil rights legislation still don't believe in equity for minorities and women.

Ripon Forum: You have long been a Republican, even during times when blacks were not a priority within the party. Could you please explain your reasoning and commitment?

Fletcher: I grew up in Kansas where blacks have always looked favorably upon the Republican Party. This goes back to the Emancipation Era when southeastern Kansas was an end of the Underground Railroad.

The Republican Party was seen as the party of freedom. In fact, it was very common for each Kansas county to have a black as vice-chair of the local GOP. Because of the congregation of blacks in southeast Kansas, they were very influential in statewide elections. It was often said that if you could carry western Kansas and the black precincts in the southeast, you could win statewide.

I got my start in politics working on Republican Fred Hall's 1954 gubernatorial campaign. After serving in his administration, I moved to California. The party there was starving for black participation. Black leaders, like the late Whitney Young, encouraged me and other black Republicans to remain in the party. Young, like many other early civil rights leaders, felt it was important to have blacks in both parties. That would provide access.

Ripon Forum: In 1969 you introduced a plan to reduce barriers to minorities competing for Philadelphia's federal construction projects. This quite important program became known as the "Philadelphia Plan." Could you please describe this initiative and its relevance to today?

Fletcher: The Philadelphia Plan ac-

tually had its roots in the 1957 and 1964 Civil Rights Acts. While those acts were important, they failed to define discrimination. I knew firsthand, through running a manpower program in the state of Washington, that discrimination had not been defined.

So when Richard Nixon appointed me assistant secretary of labor for employment standards in 1969, I knew that we needed to do more than pass another executive order calling for fair employment. We needed to show employers exactly what discrimination is. So when I asked George Shultz, who was then secretary of labor, whether I could have

The entire civil rights debate, in the final analysis, is about economic progress. The struggle has been about economic equity and freedom of choice.

jurisdiction over the office of federal contract compliance, he said sure, go ahead.

My aim was to put teeth into Lyndon Johnson's earlier order that federal government contractors must be fair employers. The city of Philadelphia was chosen because \$4 billion in federal contracting was then going into the city's all-white construction industry.

We revised an earlier Philadelphia Plan, which stressed voluntary compliance, and put in timetables, goals and targets. We knew that Philadelphia had a large black union where the recalcitrant white unions could go for black employees. The white unions had no



Arthur Fletcher and William McKenzie

out.

The importance of all this is economics. The entire civil rights debate, in the final analysis, is about economic progress. The struggle has been about economic equity and freedom of choice. The freedom to choose rests upon the ability to choose, and that rests upon the economic means to choose. Blacks and other minorities were historically kept out of social areas by being kept in economic straits.

Ripon Forum: So what are the key civil rights issues today? Do they remain related to economic equity?

Fletcher: What you would hear from blacks in a tour across the country is, how do we participate in the economy of this country? That question starts with, how do we control the economy in our own neighborhoods? It has been estimated that the black community represents a market of \$300 billion. But blacks don't control two to three percent of that share. So the issue is, how do we begin to get our foot in the door, and eventually our whole body?

Ripon Forum: How do you do that?

Fletcher: The key is to begin to use the same institutions that other so-called minorities have used. This means organizing the kinds of financial institutions that would devise strategies to make money from the neighborhoods from which they draw their money. This includes creating black banks and black insurance companies to service their communities.

Ripon Forum: How do you do that?

Fletcher: That's where we're stuck. There's a lack of a long-term view, just as with many other American financial institutions. We only want to make money from one quarter to another.

To service the black community, we're going to have to take a page out of the Japanese book. We have to take a long-term view and, say, to what degree does the Japanese approach apply to the neighborhoods we want to turn around?

No one has a pat answer. But people do wonder how the Japanese have turned their economy around into a world economic power in just two

To service the black community, we're going to have to take a page out of the Japanese book. We have to take a long-term view.

generations.

This is why we're hearing so much about the black family today. We've taken a quick look at the close-knit Japanese and Korean family, and we've said that a part of their success is their closeness. Blacks resent that the Japanese and Koreans don't go into suburbs to run businesses, but into our neighborhoods. But blacks also see their success. Their businesses are family-run, and there is respect for each other. There are some things to learn here.

Ripon Forum: But how do you design policies that either sustain the black family or enhance its entrepreneurialism?

Fletcher: Some of what I'm going to say will make some of my friends mad: there are some things public policy can do, and there are some things public policy can't do.

The federal government is not the instrument to do what is necessary at the local level. That's why money is being passed back to the states. In fact, President Bush said the other day that money will be sent back to state governors, strings unattached. Now we can say to local people, give us your remedy for these problems.

Ripon Forum: So you think that mediating institutions, such as the church, schools and family, have an instrumental role in keeping the black family whole?

Fletcher: And those institutions can mobilize resources and assets.

Ripon Forum: But what *can* public policy measures do?

Fletcher: Public policy can be involved in training and developing applicable skills. The federal government must also do a much better job of developing the capacity to comply with the regulations they impose upon mediating organizations. The will to try anything in the '60s and '70s was simply destroyed by government harassment. The feeling was that government was not serious because no training was provided about how to keep the books these auditors wanted. If there is going to be a new round of money going back to the states and cities, then there must also be a meeting of the minds about the kinds of records that will be needed. People at the local level can then say we *are* complying with your requirements.

I don't believe that civil rights and welfare legislation are the same thing. It may be that the White House is about to mix up the two in the 1991 Civil Rights Act. But in the past, voting rights had nothing to do with welfare.

Ripon Forum: You had rights issues and opportunity-related issues.

Fletcher: In too many minds, those two are mixed up. The U.S. Commission of Civil Rights, for instance, is not about welfare.

Ripon Forum: There's a school of thought that says that we should take the existing welfare programs and turn them into workfare programs. This means replacing welfare with guaranteed jobs, much like with the old Civilian Conservation Corps. What is your opinion of this idea?

Fletcher: Employment of affirmative action in 1969, as I perceived it, was workfare. But let me step back. If this country had been *right* at the end of World War II, we wouldn't have had a civil rights revolution. Many of us should have come out of school and found a job waiting. We should have been working so hard that Martin Luther King would not have found an army waiting to

I don't believe that civil rights and welfare legislation are the same thing. It may be that the White House is about to mix up the two in the 1991 Civil Rights Act.

protest.

But there were no jobs for blacks. My children have said, look you went to school, got a skill and came out but there was no job.

I looked on affirmative action in the 1960s as a two-edged sword. One part said to managers, employ people who meet your standards. The other part said to minorities, go to school, equip yourself and you'll get a job.

Ripon Forum: But I'm talking about a guaranteed public job, where training and day care are provided instead of welfare.

Fletcher: I see providing the welfare recipient with the means to be productive, such as day care. And I see providing those essentials to keep productive people going. But I would not go so far as to guarantee a job. Didn't the Soviets provide some guarantees which didn't work too well?

Ripon Forum: What is your estimation of the Bush administration's push to "empower" poor people through as-

sisting them with the means to, say, purchase their own public housing units or to provide them more power over their local schools? Do you have any thoughts on these issues?

Fletcher: Yes. Let's take the schools first.

I'm inclined to support the idea that neighborhood schools should be more responsive to the needs of their students. I would be inconsistent if I were to say that I oppose freedom of choice.

I don't have any problem with a voucher system which says to impoverished households, here your children can now go to school somewhere else. This kind of system can create competition at the neighborhood level and improve the quality of education to the point where families won't want to send their youngsters off to private schools.

When public schools finally "buy into" the idea that they must compete, they can become as competitive as anybody. They can design strategies to make themselves competitive. I'd like to see our public and private schools so equal that a family would have a hard time deciding whether to send their kids to private school.

It's also important for industry to show that they want schools to compete. Their own needs are at stake. The more industries get involved and say, let's help schools do their job, the more I'm inclined to believe the schools can do their job. It will probably be five to 15 years before the impact can be seen.

Ripon Forum: What is your estimation of the administration's approach to public housing, which focuses on tenant management or ownership of public units?

Fletcher: I'm positive on that. The more one is responsible for one's living condition, the more emphatic one becomes in improving their environment. Of course, some units can't be converted, but I believe there are far more units which can be converted into private ownership.

But you just can't transfer ownership and expect immediate results. This is where the city, county and state can play a role. They can get people ready for home ownership. Community colleges can help also.

Ripon Forum: Last year you wrote that the Bush administration should not veto the 1990 Civil Rights Act, that you had heard the same argument about about quotas back when you introduced the Philadelphia Plan. How will President Bush's veto of that bill affect his standing among black voters?

Fletcher: I hear mixed emotions. Let me talk first about what he'll benefit from.

If we were to go back to the late '50s and early '60s, the black community was much more of a one issue group. President Bush's extraordinary high standing in the black community, up until his veto, is a product of the diversity of the modern black community.

Ripon Forum: I should interject that black columnist Tony Brown reports that in last year's congressional elections, which took place after the civil rights veto, Republicans got nearly 22 percent of the black vote. That's near

Civil rights is now a national security issue. It is not just about justice and fair play. The issue is, will America have a workforce that can compete?

the party's all-time high of recent years.

Fletcher: That's an indication of the maturity I'm talking about. It's estimated that one-third of black households have made it into and beyond the middle class. They certainly have different issues. In fact, they're pretty hard nose on taxes. The president lost some ground with them when he switched his position on taxes last year.

Many of these voters are very interested in education, crime, drugs and taxes. They are also *extremely* interested in Operation Desert Storm. That's a major issue on black radio stations. The black element that is supporting the president on this issue is not saying much, but those who oppose him are being very vocal. Yet if you drive through some black neighborhoods, you see more flags than I can ever remember.

Ripon Forum: So President Bush doesn't lose as much with the black middle class over his civil rights veto as he does with those blacks who have not been able to escape poverty?

Fletcher: To a degree. What people talk about are the "three realities:" the one-third of blacks who've made it, the one-third who are on the slippery slope trying to make it and the one-third who are mired in the hopelessness of the ghetto.

The blacks on the slippery slope may go either way. My view is that a significant number of those who make it pass the threshold are less inclined to be high-profile, extremely vocal Democrats. The group on the slippery slope is not nearly so Democratic. They have hope and want to finish their education or training.

The group which is poverty stricken is highly vocal and you know where they stand. But this group doesn't vote as much as they should. The chances for a backlash from this group are not high in 1992, unless Jesse [Jackson] and [Democratic Party Chairman Ron] Brown do a massive job of getting them to the polls.

Ripon Forum: As you know, the key stumbling block in last year's civil rights legislation was the issue of quotas. A lot of the debate centered around whether statistical imbalances in a workforce could be used to prove discrimination. What do you think about this issue?

Fletcher: That's what I used in 1969 [laughter]. I said that an employer had to demonstrate that he or she made a good faith effort to recruit minority employees. I've shown many top CEOs statistical breakdowns about salaries and hiring practices and said, you'd have a hard time proving a good faith effort was made here.

I don't buy into the idea that the 1990 bill would have automatically ended in quotas. What some of the opposition to the bill is really saying, and I know some of them well, is that the mere act of hiring a black is preferential treatment. You have to explain if you don't have a black, and you have to explain if you do have one. But I think these people just don't believe in equity for minorities and women.

Pollster Lou Harris said recently that our toughest problem is race. No one

really wants to deal with it.

Ripon Forum: What is your prediction about the 1991 civil rights debate? What kind of legislation will emerge?

Fletcher: I'm going to take the Fifth here. On second thought, no, I'm not. The battle must be fought on new ground. What I heard last year was debate about topics that were prevalent in the '60s, '70s and '80s. I'm not sure that members of Congress will be dealing with the issue of civil rights and workforce security. I'm concerned that the debate about the '90s, and even the year 2010, which we ought to be discussing, is going to go by the boards.

Our workforce must be a national security issue. But this year's debate might not deal with that. Civil rights is now a national security issue. It is not just about justice and fair play. The issue is, will America have a workforce that can compete? By the year 2000 that workforce is going to be made up of between 75%—80% minorities and women. The civil rights debate is not going to be about the contribution these people can make to keep the country stable. But it's in our national interest to train people to produce to the best of their ability. ■

Read The **RIPON** *forum*. The Only Magazine of Its Kind.

Read by members of Congress, leading journalists, political activists and especially those interested in the direction of the Republican Party.

The **RIPON** *forum* brings you regular issues filled with fresh & provocative debate on the subjects of our day, profiles of outstanding mainstream Republicans, book reviews and political news from around the nation.

The **RIPON** *forum*. The Only Magazine of Its Kind. Don't Miss an Issue.

To subscribe, send \$25 to:

The Ripon Society 709 Second Street, N.E., Suite 100, Washington, D.C. 20002

Name: _____

Street: _____

Place: _____

Enclosed is my extra contribution to further Ripon's efforts on behalf of moderate Republicanism:

___\$100 ___\$50 ___\$25 ___ Other

A BRAVE 'NEWER WORLD' REVISITED

By Steven B. Klinsky

Almost four years ago, in 1987, Ripon commissioned a collection of public policy essays, entitled "A Newer World," for which I wrote the economics chapter. Though much is taken of that work, much abides. In particular, the two primary initiatives of my piece — allied burden sharing and international monetary reform — have moved from the netherworld of academic debate onto the newspaper front pages. It therefore seems appropriate to revisit the essay and update it for current developments.

THE DEFICIT AS FOREIGN POLICY

The national economic debate in 1987 was focused on deficit reduction, with the topic framed as a domestic policy question of taxation vs. spending. The "Newer World" essay argued, in essence, that the deficit question is also a foreign policy question, tied to the sharing of common costs with our allies and to the reduction in interest rates made possible by stabilizing our currency relative to foreign currencies and basic commodity prices. Reforms in these two areas would attack the two principal sources of our deficit — our \$300 billion annual defense bill and our \$300 billion annual interest payment. At the same time, the counterproductive foreign policy of trade wars and protectionism would be avoided and the alliance would be strengthened rather than weakened. The private sector would benefit from the low interest rates, avoidance of tax increases and reduced government dissaving. Sen-

Steven B. Klinsky is a member of the Ripon Forum editorial board and was the economics contributor to the Ripon Society's 1988 book, "A Newer World: The Progressive Republican Vision of America."

sible domestic policy deficit reduction programs — such as cost efficiencies, tax fairness and means-testing of some entitlements — should be pursued in parallel.

BURDEN SHARING

The importance of burden sharing is now obvious in light of the Iraqi war. For the first time, the United States government has put its diplomatic force firmly behind "responsibility sharing" and, in turn, has received very satisfactory near-term results. At latest count, America's allies will bear approximately 80% of the conflict's monetary cost. Even Japan, which has moved with the greatest reluctance, is now committed to pursue \$9 billion of contribution.

As President Bush pursues his new world order, he must also pursue a mechanism for funding that order. In the longer term, a formal "Free World Fund" of the western nations should be instituted.

At the same time, the inadequacies of the existing ad hoc burden sharing process are more obvious than ever. First, the current effort relates only to the specific costs of war and ignores the much costlier process of war readiness. It is as if a municipal taxpayer is being asked to support the town fire department's operations only on the day his own house is in flames and to ignore the purchase of the fire truck and the training of the firemen. Proper responsibility sharing must include sharing costs of preparation as well as execution. Our allies must fairly support the upkeep of free world military readiness

— our \$300 billion per year charge — even in peacetime.

Second, the disorganized nature of the present fundraising effort leads to inconsistencies and abuses. For example, it now appears that Britain, which is showing great bravery and generosity in fighting alongside America, may receive less allied financial support than America does because our diplomats outraced theirs to the payment windows. Adhocracy also permits nations to unfairly stake out where their money goes, so that Germany can become the saviour of central Europe and Japan can be the dispenser of foreign aid to potential new commercial markets while the U.S. and Britain are left with the scut work of trench warfare and aerial bombardments.

As President Bush pursues his new world order, he must also pursue a mechanism for funding that order. The United Nations is serving as a rallying point in the current conflict, but is continually vulnerable to Chinese or Soviet security council veto. In the longer term, a formal "Free World Fund" of the western nations should be instituted. Such a fund would collect proceeds from all allies who support a specific program (including such non-defense programs as space exploration, pure science research, medical research, global ecology and foreign aid) and distribute those funds to the specific nations best equipped to accomplish the common task. The voluntary nature of the contribution would give nations such as Japan and Germany a way to influence allied defense and common policy within the bounds of their own pacifism and limited will to lead.

Importantly, the political opportunity to create such an institution may now be at its highest point. The Iraqi war has forced each allied nation to consider its responsibilities to the alliance. The domestic debates in Japan and Germany

Continued on page 16

SEEING OVER THE HORIZON: THE NEW WORLD ORDER

In his second epic on Winston Churchill, "The Last Lion: Alone 1932-1940," William Manchester writes that "Political genius lies in seeing over the horizon, anticipating a future invisible to others."

Winston Churchill, of course, enhanced his ability to "see over the horizon" during his stint as a lonely Tory "backbencher" in the British Parliament of the early 1930s. It was then that Churchill was able to formulate the long-view that Hitler's rising Germany posed a more serious threat to the United Kingdom than Stalin's Russia.

That his warning was greeted with scoffing now seems unreal. Yet building a future that others cannot envision often requires standing alone against prevailing opinion.

George Bush may understand that loneliness quite well after he attempts to guide modern allies into crafting what the president so fondly terms "a new world order." Unfortunately, the rapid change of events demands that shape be given to this "new order" almost overnight.

DEFINING THE NEW ORDER

But a word of caution here. Who says that the world is going to become new? Didn't Ecclesiastes warn us that few new ideas exist under the sun? In particular, we shouldn't be envisioning a conflict-free order, or a new form of utopia. Instead our aim should be to develop the framework within which the "children of light and children of darkness," as theologian Reinhold Niebuhr accurately described human beings, can best function.

What we should pursue are the principles or policies towards which we would like to push the world by, say, the year 2000. This list of aims should include:

—collective security arrangements;

—conflict resolution through functioning international organizations;

—democratic capitalism, open markets and free trade agreements;

—the right to self-determination; and

—environmental protectionism.

The hope for change rests on the elaborate set of international counselors President Bush has assembled in the fight against Saddam. The allied coalition, for example, has already demonstrated a penchant for sharing responsibility.

Ironically, the situation in the Persian Gulf provides a unique if not perverse opportunity to begin working on the first two aims. While the military conflict engaged in by the U.S.-led forces against Saddam Hussein is legitimate — and capable of creating new deep scars — the present situation also offers hope for a real breakthrough. After all, who knows better the particular horrors of modern warfare more than the people of the Middle East?

The hope for change rests on the elaborate set of international counselors President Bush has assembled in the fight against Saddam. The allied coalition, for example, has already demonstrated a penchant for sharing responsibility. As Steven Klinsky points out on page seven of this issue, and the Bush administration reminds us repeatedly, the military costs of Operation Desert Storm are being spread among the coalition's many partners. In fact, nearly 80 percent of the financial

costs of this U.S.-led military engagement has been paid for directly or through pledges from allied participants.

Why can't this same international force now be used to resolve the political dimensions of the Middle East? Put specifically, why can't the allied coalition: 1.) keep Saddam a minor regional figure by controlling his ability to redevelop weapons of mass destruction, and 2.) pursue the Mideast's real perplexing issue: a land-for-peace swap?

The latter problem is central to the Middle East and relatively simple in its genesis: more people of conflicting nationalities wish to live in the region than is currently possible. Unless land could be carved out of, say, Iraq, the homeland Palestinians' desire will likely come from Israel's annexed territories.

But it's plain that if Israel is to relinquish such land, its safety must be guaranteed. This is where the international coalition comes in.

Through the auspices of a U.S.-led Middle East peace conference, or a set of bilateral talks between Israel and its various Arab neighbors, which would be mediated by non-Mideast coalition partners, pressure could be placed on both Israeli and Arab leaders to accept serious compromise. This includes a land-for-peace swap, which President Bush is in a particularly good position to affect.

More than most recent U.S. presidents, George Bush has developed strong relationships with many Arab leaders. That standing should now be used to convince Arab members of the coalition to persuade Palestinian leaders of the necessity of accepting a land-for-peace swap. The message should be straightforward: if Israel's security cannot be guaranteed, then no Palestinian homeland will ever be forthcoming — period.

To be sure, these political moves would test the feasibility of resolving regional conflicts through the auspices of the international political community. But we might as well gauge the community's strength now, since relying upon functioning international organizations must become one of the new order's highest aims.

ECONOMIC THEMES

Promoting democratic capitalism, open markets and free trade agreements are certainly less perilous undertakings. But they are nonetheless essential goals for the new world order.

Democratic capitalism and open markets, of course, are now being pursued in nations and regions where such concepts were only recently foreign. Consider the dynamics of change within Central Europe.

As reported upon in the December **Ripon Forum**, the advent of such political organizations as Czechoslovakia's Civic Forum represents a real shift in European political thinking. Instead of adopting the rhetoric of the Eurocommunists of the 1960s and 1970s, when communism was envisioned to have a human face, such Czechoslovakian leaders as President Vaclav Havel and Finance Minister Vaclav Klaus are now promoting self-determination through free market economic policies.

Leaders of the Czechoslovak government, for instance, favor establishing a social security system, strengthening trade unions and developing unemployment benefits. But they also are providing the driving force behind such market reforms as an industry privatization plan, the creation of a stock market and the development of a convertible currency.

Similarly, Hungary's primary opposition party, the Free Democrats, combine their social liberalism with a fierce belief in free markets. The party's aim is to privatize assets while simultaneously providing a home "for workers, peasants and the intelligentsia," as Free Democratic Member of Parliament Imre Mecs recently told the **Forum**.

Now that such economic reforms are underway, the Bush administration and the European Economic Community in particular must continue to help advance them. Put directly, economic

progress is intricately related to self-determination in Central Europe.

To be fair, the Bush administration has launched a Citizens Democracy Corps and a Eastern European Growth Fund, both of which are designed to encourage private sector involvement in Central Europe. And the leading EC economic power — Germany — is playing a major financial role there.

But the issue must continue to be given top priority. Private investment needs must be highlighted and government aid for such measures as unemployment insurance funds should be considered.

A similar focus must be placed on Latin and Central America, where issues of economic progress and self-determination are also related. In Panama, for example, thousands of public jobs have been eliminated since President Endara took office over a year ago. Why can't a portion of American aid — which will total \$461 million in fiscal year 1991 — be targeted to assist laid-off workers?

International trade, however, is the most important commodity for Latin America's development. The Bush administration has set the pace for improving upon the trade status quo by working on a free trade pact with Mexico. It's now even likely that a North American Free Trade Zone, which would include the United States, Canada and Mexico, could develop.

Maintaining support for free trade in the United States will not be an easy prospect, however. Protectionist Democrats, like Missouri Congressman Richard Gephardt, will surely use the 1992 presidential race to espouse populist rhetoric about the loss of American jobs to foreign trade. Free traders like President Bush must thus remind Mr. Gephardt and other economic nationalists of the long-term benefit of free trade practices, even if "anticipating a future invisible to others," as Manchester wrote of Churchill, is not so easy when jobs have been lost.

ENVIRONMENTAL PROTECTIONISM

The final aim of the "new world order" must be to promote sound environmental policies. The range of issues is immense, but at the top of the list should be the development of effective strategies for dealing with global warm-

ing and reducing the air and water pollution threatening so much of Central Europe.

To some degree, the Bush administration is beginning to stop its foot-dragging on global warming. On February 4, for instance, Council on Environmental Quality Chairman Michael Deland admitted to an international conference on global warming that the greenhouse effect is indeed a problem.

Deland's remarks provide the first major international acknowledgement by the administration that climate change is a threat. The reason for the slow recognition is that White House Chief of Staff John Sununu often belittles the seriousness of the problem. Yet Deland's comments reflect a new direction that must now be followed by greater focus on reducing the production of gases which create climate change.

The leadership of the United States on this issue is essential. Many other major industrialized nations are already taking on the problems of climate change. The U.S. cannot afford to be left behind, or worse, seen as a culprit, on an issue that will be central to the relationships guiding the "new world order."

Environmental protectionism is especially central to Central Europe's renaissance. As reported in the December **Forum**, three billion dollars will be needed to clean up the Elbe River alone. While the U.S. Environmental Protection Agency is expressing interest in helping with such problems, and the U.S. Congress has appropriated a portion of its aid to Central Europe for environmental clean-up, more assistance will be necessary for renewing Central Europe.

Renewal, of course, is ultimately what the "new world order" should be about. And to paraphrase Manchester, President Bush's "political genius" will be greatly tested in moving us towards renewed relationships. By promoting collective security arrangements, democratic capitalism, free trade, open markets, self-determination and environmental protectionism, he could move us closer to that new horizon.

Ahead in the Ripon Forum:

- ☛ Is GATT Alive?
- ☛ More on the New World Order
- ☛ National Energy Policy

HAS THE TIME (FINALLY) ARRIVED FOR CAMPAIGN FINANCE REFORM?

by Ken Ruberg

May 5, 1987 — While not yet the subject of front-page exposés, America's savings and loan industry is quietly losing tens of billions of dollars each year. At issue in Congress is whether to begin cleaning up what will emerge as a \$500 billion scandal; more specifically, whether to require the industry to take actions necessary to close some of the worst (but politically well-connected) S&Ls before they lose billions more. Following almost two years of delay, and after receiving millions of dollars in legal campaign gifts from the same industry it's failed to effectively regulate, the House of Representatives votes no.

October, 1990 — After years of political deadlock and \$2 trillion dollars in federal borrowing, Congress faces an historic opportunity to begin addressing America's most significant economic challenge. At issue now is a bipartisan deficit-reduction agreement endorsed by President Bush and congressional leaders to eliminate nearly \$500 billion in federal borrowing through a regime of spending restraints and tax increases. Confronted by a recession and the need for tough decisions they're elected to make, Congress is tied in knots for weeks by interest group lobbying, political fear and ideological warfare. Consumer confidence drops as Washington wrestles with itself.

January 29, 1991 — Crowded together in the chamber of the House of Representatives to hear the president's

Ken Ruberg is executive director of the Republican Mainstream Committee, an organization which encourages grass roots activism by Republican moderates.

third State-of-the-Union address, members of Congress are justifiably nervous in the wake of war-time terrorist threats against the Capitol. Moods worsen when George Bush voices a threat of an entirely different nature: "One of the reasons there is so much support for term limitations is that the American people are increasingly concerned about big money influence in politics. The time has come to put the national interest above the special interests and totally eliminate political action committees."

With these few words, George Bush brought added momentum to the cause of campaign finance reform and ethics in government. Powerful incumbents in Congress, technicians and campaign consultants in both political parties and a vast array of interest groups nonetheless remain skeptical of, or hostile to, any fundamental change in the way federal elections are financed.

The emerging debate — certain to escalate as the "Keating Five" Senate ethics inquiry progresses and 1992's post-redistricting elections draw nearer — presents important questions. How should Republicans who favor limited but responsive government view efforts to further regulate political rights? Can progress towards ethics in government be legislated while encouraging electoral competition? Will Congress finally act on campaign finance reform after 15 years of inaction?

CURRENT TRENDS

Regardless of one's view towards these and related questions, current practices and trends in election financing are indisputably revealed by Federal Election Commission reports.

During the 1988 election cycle, political action committees (PACs) — which represent a spectrum of economic, so-

cial and ideological interests — contributed almost \$144 million to congressional candidates in the general election. This figure equals nearly 34% of the total monies raised.

Of note, PACs gave \$111 million to incumbent lawmakers, \$17 million to open seat candidates and only \$16 million to challengers. While 22% of all Senate campaign revenues came from PACs, they contributed a far greater proportion of House campaign proceeds. In fact, very nearly half of all incumbent candidates for the House of Representatives relied on interest groups rather than constituents and individual citizens for a majority of their reelection campaign's resources.

Since labor PACs contribute almost exclusively to Democratic candidates while business and association PACs more evenly divide their contributions, Democratic candidates received almost \$89 million from political action committees during the 1988 elections. Republicans received only \$55 million. In the same election, by the way, incumbent Democratic candidates for the House of Representatives benefited from \$53 million in PAC contributions while their Republican challengers received just \$2 million.

Also worth noting is the high cost of campaigns. Senator Tom Harkin spent \$5 million last year to gain reelection in the small state of Iowa; Senator John Seymour of California expects to need \$20 million in 1992. The "average" Senate incumbent must now raise \$20,000 each week of their six-year term of office.

MODERN PROBLEMS

To be fair, there are those who sincerely believe that escalating campaign costs and the growing influence of political action committees don't warrant concern. They argue that

government's importance more than justifies the cost of campaigns, that an overwhelming majority of elected officials and lobbyists are honest and that caution should be exercised in government regulation of political freedoms in a democratic society. Conversely, others argue that, even if a problem does exist, it can't be proven and that proposed remedies are likely to be ineffective or counterproductive.

While each of these arguments contains merit, a broader look at Congress and its candidates reveals that fundamental problems exist. The savings and loan scandal by itself demonstrates the existence of occasional quid pro quos, but the problematic relationship between special interest contributors and lawmakers is admittedly more complex and far more pervasive than "vote buying."

To win elections, growing numbers of candidates rely on high-priced campaign consultants and substantial advertising budgets. To finance their campaigns and to appeal to voters, candidates must systematically appeal to a variety of interest groups, many of which seek specific promises and commitments before making endorsements or contributions.

The problem here isn't that candidates break their promises but that, once elected, they try to keep them. Representative Jim Leach, a long-time Republican advocate of reform, stresses that "federal deficits begin in federal spending and federal spending begins in promises and obligations, and all this begins with politicians. It begins in the way campaigns are run, in commitments to large contributors, no matter who they are."

One way or another, most successful candidates arrive in Washington carrying not only a long list of obligations but also a campaign debt which PACs are suddenly happy to help retire. New members of Congress must immediately decide which committees to seek assignment to, hoping not only to serve their constituents but also to facilitate the constant fundraising efforts which characterize the month-to-month life of an elected official. As University of Michigan professors Richard Hall and Frank Wayman conclude in their recent study on PAC influence: "the effects of group expenditures are more likely to appear in committee..." where legislators choose how and when to actively

Candidates must systematically appeal to a variety of interest groups, many of which seek specific promises and commitments before making endorsements or contributions.

The problem here isn't that candidates break their promises but that, once elected, they try to keep them.

support or oppose various causes.

Common sense alone dictates that the workings of democracy are distorted by the dependencies between money-hungry lawmakers and the large contributors who feed them. Time-pressed legislators make time for lobbyists at the expense of constituents. Financial clout magnifies the importance of relatively minor interest groups and their legislative agendas. To avoid conflict with the best-financed interest groups, members of Congress become cautious. The process by which Congress elects its own leaders is even influenced when ambitious politicians make and steer campaign contributions toward colleagues in an effort to build favor. Over time, Congress's ability to rationally make difficult public policy choices is seriously undermined.

Stated bluntly, the way in which we finance political campaigns — the perverse system of incentives and disincentives which permeates congressional politics — is corrupting American democracy. To believe otherwise is to believe that interest groups contribute \$150 million every two years without improper expectations, and that members of Congress, otherwise human in every respect, are ethical paragons who accept this money from virtual strangers without gratitude.

SOLUTIONS

So what to do? Legislation should be enacted to dramatically reduce the role of political action committees and restrain the growth of campaign spending. By doing so, Congress would limit

the appearance and reality of corruption, and expose itself to the rigors of political competition.

Any such legislation should as a first priority either prohibit PAC contributions to federal candidates or, if necessary to pass constitutional muster, limit them to \$1,000 per candidate per election. If PAC gifts are limited rather than banned, strict overall limits on the total amount a candidate can accept from political action committees should be established.

At the same time, "soft" money contributions — unlimited gifts to national political party organizations which totaled over \$50 million during the 1988 presidential contest — should be fully disclosed and better regulated.

The Supreme Court's decision in *Buckley v. Valeo*, easily one of the most wrong-headed decisions of the 1970s, makes efforts to restrain campaign spending more difficult. By equating political spending with "speech," the Court ruled that mandatory spending limits were unconstitutional.

Some reformers have proposed amending the Constitution to authorize spending limits. Congress should instead enact a voluntary system of limits on congressional campaign spending, like that seen in presidential elections since 1976, and rely on incentives to encourage compliance by candidates.

Finally, campaign finance reform legislation should be comprehensive in scope, addressing other problems and issues not discussed here, including independent expenditures, so-called "leadership PACs," contribution "bundling" and the need for better disclosure and enforcement.

Knowing which actions are required to clean up Congress isn't difficult, frankly. The greater problem is a political one: convincing incumbent members of Congress of both parties to advance larger public interests by regulating themselves.

That won't be easy. Legislators are reluctant to yield the advantages of incumbency, support for PACs is becoming Democratic doctrine, and Republicans (wrongly) remain steadfast in the view that unrestrained spending somehow helps GOP challengers.

Perhaps the savings and loan scandal, George Bush's leadership and an increasingly disgusted body politic will finally make the case. ■

RADICAL RECONSTRUCTION OF DOMESTIC POLICY:

THE COMMUNITY-BASED SERVICES RECONSTRUCTION ACT OF 1991

By Peter Smith

Think of it. An American domestic policy that treats families, individuals and communities as if they mattered.

Thirty years ago, of course, we embarked on a great commitment; a commitment to help the poor and the disadvantaged with services, support and care. The will was great, the good will greater, and the money, while never what some had dreamed of, accumulated over the years into an extraordinary expenditure.

Today, if we are as committed to the dream of equality and opportunity as we were 30 years ago, we need to look at the record: How are we doing? Are people breaking the poverty cycle? Are the administrative structures working? Do the results match up with our intentions or our hopes?

I believe the answer is, "Some are doing well, but most are not." To be sure, some stunning successes exist — legal services, Head Start, WIC and Pell Grants — to name a few. But too often the consequences of our domestic policies are a sad tale of whole communities separated from the economic and social mainstream, of broken lives, perpetual poverty, lost hope and lost ambition — an economic apartheid as devastating as it is unintended.

It is time to care again; to care so much that we are willing to go to the roots of our domestic policy and reexamine them; to care so much that we begin the radical reconstruction of our policy so that it is now friendly to families in crisis, people in need and communities

without hope. If we don't stop to reexamine both the assumptions and the structure of domestic social policy, we will be saying that more money alone will fix the problems, and that we're satisfied with these results to date.

RADICAL RESTRUCTURING

For years we have argued social policy as a moral issue. But for those who reject that argument, let me add another dimension. We must radically restructure our social policy because we can no longer afford its failure. It is a matter of our economic survival.

Let's review the trends. As our birthrate has declined, the share of new births taken by minority and other poor Americans has grown significantly. These are the very people who have been failed by our social and educational systems, who have not been able to become productive, contributing member of our society. Unless we succeed in bringing those Americans into the mainstream of our nation's lifestyle, we will fail socially, civically and economically.

Consider two examples. If we don't do a radically better job getting children ready to learn, getting families ready to support them in learning and getting schools structured to maximize learning, we will lose the skilled work force which has made our society prosper throughout this century. Then we will face the prospect of losing jobs overseas not because we have been out-competed or out-thought, but because our human resource policies have failed to nurture Americans and American communities in need. If we don't do a radically better job of incorporating families, individuals and communities into the mainstream, the long term implications for government financing are

as disastrous as they are unavoidable. With a static or slowly growing population, and a rapidly growing underclass, the assumptions about government spending — from categorical programs to entitlements — will not be sustainable. Already in Social Security we have slipped from over six people paying in for every one who is receiving benefits to just over three paying in for every beneficiary.

Domestic policy, however, is more than a question of dollars, jobs, categorical programs and inter-governmental relations. It is also about power: who has it and who does not. America's unique promise is that the table of opportunity has an unlimited number of seats. But without opportunity and hope, our democracy is threatened.

INFORMATION AGE

Power, of course, is related directly to knowledge. And we are certainly living in a time of revolutionary change regarding knowledge. The change is driven by the combination of developing and existing technologies, knowledge and data known generally as the "information revolution." What's unique about this is that while information empowers, abundant information decentralizes power. More than ever, people are far less dependent on traditional hierarchies — governmental, political, corporate, union and religious — for their information and their opinions.

This revolutionary change has extraordinary implications for our domestic policy structure and presents a compelling case for radical reconstruction. The purpose of our domestic social policy agenda should be simply getting people ready to learn, to work and to live constructively and productively to their

Peter Smith served as a member of Congress from Vermont in the 101st Congress and is a new member of the Ripon Forum editorial board.

greatest capacity.

This means our policies should:

*be friendly to families, to homes, to communities and to work;

*dignify clients with choices that reflect their universe of need and opportunity;

*treat the professionals who deliver services like the professionals they are, giving them choices and responsibilities they do not currently have in return for greater accountability for the outcomes — the empowerment — which is the goal of their activity; and

*incorporate the great strength of America, our diversity, as an organizing principle. Although we trumpet our national love affair with diversity from the speaker's rostrum, we continue to build programs as if all needs were the same and all living situations and psyches were comparable. And, of course, it just isn't that way. It is time to create a policy through which we encourage diversity within a broad set of parameters.

The focus of our domestic policy, as Jim Pinkerton of the White House suggested in these pages last December, should be on "what works." The designs will be locally developed, endorsed and implemented, with the government acting as partner and agent to the process. After three decades of mandated design and redesign from the federal government, which were then passed on to the states, this time the opportunity to redesign should be voluntary and reserved for those who believe they can create a more effective approach.

THE COMMUNITY-BASED SERVICES RECONSTRUCTION ACT OF 1991

The reform vehicle for this change should be "The Community-Based Services Reconstruction Act of 1991," which should be proposed in the first term of the 102nd Congress. This act would allow states and communities to reconstruct social service delivery programs for higher performance. The intention would be to encourage professionals, community members and clients to have a direct hand in the organization and implementation of social services in their communities.

The act would include:

*a set of indicators which emphasize independence, work, family and community;

*direction that the local planning group would be responsible for stipulating improved performance standards compared to their historical performance achievements;

*list the federal programs which were eligible for inclusion in the reconstruction activity at the state and local level (Job Training Partnership Act, welfare, WIC, Medicaid, Medicare, mental health services, and so on);

*stipulate a planning and approval process for the community-based plan with limited financial support for the planning effort;

*stipulate a monitoring and evaluation effort which allows for continual accountability by the community-based group to its stated plan and intended outcomes;

The Community-Based Services Act of 1991 would couple empowerment with professionalism, decentralization and accountability for outcomes.

*clearly state that all federal and state auditing requirements would be based on the adopted plan, not on previously existing federal and state program requirements;

*stipulate that all target populations of the programs included would be involved in the program design and designated as beneficiaries of the community-based plan; and

*assure that all political entities and providers' involvement was elective and voluntary, driven only by their vision and the agreements they could reach with other service providers and client groups.

WHY DO THIS AT ALL?

The primary historical purposes of categories and audits were to protect the quality of services to specified target populations. It was Congress' way of ensuring that its will, and that of the executive branch, was done.

But the cost to them has been a loss of flexibility and discretion in the solution of the problems. The ensuing correctives, designed to integrate services,

resulted more often in better bureaucratic cooperation but precious little service delivery improvement.

Of course, people with need, and communities in need, are not defined by category, but by the person or the neighborhood or the family. And professionals are, by definition, people with the ability to act with discretion, making higher level decisions. Yet we persist in sticking with outmoded policies and antiquated accountability structures which cost us billions of dollars that could otherwise go to services and an untold wealth of missed opportunities and lost goodwill.

Consider some of the possible models:

*a welfare/workfare program integrated with JTPA and/or Pell grant money to give low income women an opportunity to protect their children with Medicaid and child care benefits while learning new skills and earning their way away from dependence on the government;

*a community of severely disabled people who live on their own and manage the caregivers who help them with their daily living; or

*an educational model for elderly day care that emphasizes growing, learning and creating as opposed to the medical model which warehouses and restricts the extraordinary talent and experience of our senior citizens in need of day care; or

*an integrated living plan for disabled and retarded children as they make their transition from school to work, from dependence to independence.

The Community-Based Services Reconstruction Act of 1991 would introduce these new concepts in domestic social policy. It would couple empowerment with professionalism, decentralization and accountability for outcomes. It would also place the responsibility and the authority for social policy implementation where it belongs: at the local level. This act would shift the focus from legislating models to legislating a planning and accountability process which promotes a diversity of models and applications. It would also ensure higher outcomes and better use of scarce resources for the professionals, communities and clients involved. It's time to try before the consequences of our demography and a rapidly changing world become too much for our country to overcome. ■

RECONCILING THE NEW PARADIGM WITH DARMANISM

by Donald T. Bliss, Jr.

A topical question for moderate Republicans is whether we embrace the concepts outlined by White House staffer Jim Pinkerton in his now-famous speech on the "New Paradigm." (See *Ripon Forum*, September 1990, pgs. 10-11.) Does the "New Paradigm" represent the thematic future of the Republican Party?

This has been the subject of lively debate in the press, fueled in part by a speech by Office of Management and Budget Director Richard Darman that was portrayed (in my view, mistakenly) as an attack by the establishment Republicans against innovative conservative thinking. Despite the criticisms leveled by some right-wingers against Darman's speech, I came away from the Council for Excellence in Government luncheon at which he gave his remarks with an entirely different impression. I thought that Darman was suggesting a pragmatic results-oriented approach to the development and evaluation of specific government programs that, if followed, would implement and flesh out the type of thematic policies expressed in the "New Paradigm."

Put another way, it seems to me that moderate Republicans should embrace many of the themes espoused in the "New Paradigm." However, as pragmatists, we need to translate these "slogans" into practical government that addresses the serious problems facing our economic and social systems. As Harvard sociologist Robert B. Reich pointed out recently, the wealthiest one-fifth of our nation now earn more income than the other four-fifths combined.

Donald T. Bliss, Jr. is an attorney in Washington, D.C. and president of the Ripon Society.

This wealthiest fifth, according to Reich, is becoming a social and economic elite, increasingly isolated from the rest of the nation's population. Obsessed with exclusivity in the neighborhood in which they live, the schools in which their children are educated, the stores in which they shop and the recreation they pursue, these cultural elitists are losing touch with the harsh reality of our increasingly divisive society. Moreover, they are impairing the efficiency of the free-market economy they so fervently espouse by neglecting the great human resources of our nation — rich in diversity and hungry for quality education and opportunity. The reality is that the chasm between the rich and the poor, the healthy and the unhealthy, white America and the minorities, the upwardly mobile and the so-called permanent underclass, grows wider with each passing day.

QUESTIONS

How are these concerns addressed by the principles of the "New Paradigm," which include: 1) greater sensitivity to the global marketplace; 2) increasing individual choice; 3) empowering people to make choices for themselves; 4) decentralization; and 5) an emphasis on what works?

For example, will the adoption of these principles result in greater integration or divisiveness of our society? And do these principles suggest a hands-off approach by government, in which the primary beneficiary of increased reliance on the marketplace, individual choice and empowerment will be the already wealthy and powerful in our society? Or do these principles suggest an innovative persistent role for government in seeking to provide the same opportunities for all Americans, regardless of their economic status, race or current condition?

For moderate Republicans, the answer must lie in the way these principles are implemented, and thus we come to Dick Darman's now notorious speech. Darman stressed the importance of encouraging creative ideas that are seriously oriented toward problem-solving, using the states as laboratories to test these ideas and providing extensive evaluation of both federal programs and non-federal experiments in problem solving. Darman further stressed the importance of an orderly evolution of the idea through pilot projects from intermediate scale to full scale and then the establishment of a competition for resource allocation based on the merits of actual performance.

In one sense, Darman's suggestions merely flesh out the fifth principle of the New Paradigm — an emphasis on what works.

Moderate Republicans can embrace the principles of the "New Paradigm." The flaws of the "Old Paradigm" are now apparent — that paternalistic centralized government, often working in conflict with marketplace forces, should be substituted for individual empowerment and choice in meeting the needs of the less advantaged.

But moderate Republicans have a special obligation to ensure that federal policies designed to implement the New Paradigm are in the interest of all Americans and do not serve simply to widen the gap between the haves and have-nots in our society. If Republicans can devise federal programs that successfully empower the poor, the minorities, disadvantaged groups and others who have not benefitted equitably from the rewards of an efficient free-market economy, then we will have found workable solutions to the festering problems that have persisted over

the past several decades. We also will find that our nation's economic productivity and efficiency are far deeper and more resilient than we had imagined.

But realizing the true Republican promise of equality of opportunity through empowerment, choice and reliance on market-based principles will require far more than slogans or rhetoric. It will require innovative federal, state and local incentives, and programs and private initiatives, tested through pilot projects, and thoroughly evaluated. It will require unprecedented discipline on the part of Congress in allocating limited resources based on proven performance. It will require the vision and imagination of policy thinkers like Pinkerton and the hard-headed pragmatism and experience of policy implementers like Darman. ■

**TO: THE EDITORS
RE: DECEMBER RIPON
FORUM**

12-28-90

Dear Bill,

Shirley Green showed me your marvelous piece, "Racing to See You." I loved it, just as I loved our trip to Czechoslovakia. I hope you have a great New Year.

Warm Regards,
George Bush
Washington, D.C.

**TO: THE EDITORS
RE: THE NEW PARADIGM**

Dear Mr. McKenzie:

James Pinkerton is to be applauded for his speech "The New Paradigm." In it he has drafted the framework for a domestic policy that conservative and progressive Republicans can work together to support.

With that said, it is important to remember that actually building a domestic policy under the "New Paradigm" will be much more difficult

than actually proposing it. One element that has not been sufficiently stressed, among the constant talk of empowerment and choice in recent years, is that of accountability. If I may draw upon my own experience as a teacher in New York's public schools: It is one thing to allow parents to make their own choices about the sort of education their children are to receive. But government has a responsibility to make certain that all students in all schools are acquiring the basic skills and access to knowledge. Much the same situation exists in public housing. Unless government introduces strict standards of accountability, decentralization in public housing runs the risk of merely turning a pork barrel for federal politicians and their friends into a pork barrel for local politicians and their friends.

Sincerely,
Arthur P. Bollmann
Brooklyn, NY



Dear Editor:

If anyone is wondering where "empowerment" and the other ingredients of Jim Pinkerton's "New Paradigm" come from, he or she would be well advised to peruse the pages of the **Ripon Forum** in 1968.

In particular, see my articles "New Dialogues" (March 1968), which uses the verb "empower;" "Black Power Progress Report" (June 1968); and "Community Self-Determination Act" (September 1968).

One might well ask why, 22 years later, these same ideas are being rediscovered as if they were some kind of "New Paradigm." Were Republicans so dumb over those intervening years, to miss a glowing opportunity? Well, yes.

Yours truly,
Senator John McClaughry
Montpelier, VT

**NEW PARADIGM,
CIRCA 1968**

Indeed John McClaughry is correct. Back during the 1960s, the Ripon Society was talking about many of the concepts now embodied in the Bush administration's "New Paradigm." This includes tenant management or ownership of public housing. So for the record, some thoughts from the March 1968 Ripon Forum:

It is clear that any future policy affecting the poor must be based on increasing the sense of personal control and independence rather than vitiating it. In the field of housing there is enormous potential for accomplishing this goal not by merely producing more housing but through the management and ownership of housing by the poor themselves.

The best vehicle to realize this potential is cooperative housing. In a housing cooperative each tenant owns an individual share of the development in which he is located and has one vote in electing the board which controls the development.

The unique feature demonstrated by [a] San Francisco cooperative is the deep involvement of the tenants in maintaining their housing and the control they have developed over the city institutions and services which control their environment.

The key factor to note is that the relationship of the coop owners to those around them has been changed. They now have increased power to influence those who control their environment — their police captain, their mayor, and their school committee. ... The awareness of this power to control their own lives, more than anything else, is responsible for stimulating their urge to self-improvement, self-reliance and independence. ■

Continued from page 7

have been extensive and those nations' leaders, at least, have publicly acknowledged the fairness of the sharing concept. Just as World War II gave birth to the Bretton Woods accords, the International Monetary Fund and the World Bank, the Iraqi War can give birth to a Free World Fund and all the good that entails.

MONETARY REFORM

Like burden sharing, international currency reform has also grown tremendously in importance. While still little understood in the United States, currency reform is now at the forefront of European debate and served as the immediate cause of Margaret Thatcher's recent fall from power.

The 1987 essay argued for a conference of economists to map a path toward international monetary unification and exchange rate stability. That exact conference has in fact now been held, but the United States was not invited. Rather, the European nations, led by French Finance Minister Jacques Delors met alone and have devised and adopted a plan of economic reform (the "ERM" movement) which is set to culminate in a single European central bank and a single European currency. Margaret Thatcher, loathe to sacrifice economic power to any off-Isles body, was the principal opponent of this course and proposed her own plan (the "hard ECU" option). Her antagonism to British participation in a common Europe implied by this plan caused her loyal minister, Sir Geoffrey Howe, to resign and precipitated the end of her leadership.

As Europe continues down the path to the formation of a single continental currency, and as the yen continues to grow in importance, America must begin to reconsider the international role of our own currency. Should we, for example, seek to join the ultimate ERM arrangement and in effect, restore the gold standard through the back door? Or is German monetary discipline too much for us and an "honest" dollar too politically painful?

In 1987, the United States' long-term government bond interest rate was 9%, more than twice Japan's rate (then 4%) and much higher than our own historical average rate of 5%. Today, our 8.2%

U.S. government long-term bond yield is still 60% above historical optimum, but much closer to Japan's 6.9% rate and less than Germany's 9% and Britain's 10.2% rates. At the same time, the value of the dollar has fallen sharply, making all Americans approximately 20% poorer relative to our European cousins than we were only one year ago. This exchange rate volatility and interest spread over historical optimum, combined with the increasing importance of currency reform worldwide, continue to argue for the increased government attention to currency reform called for in my 1987 essay.

OTHER MATTERS

On other issues, much abides as well. The bank system crisis of 1987, fueled by defaulting Latin American debt, has given way to an even more worrisome bank crisis of 1991, fueled chiefly by poor real estate loans. As predicted, the great stock market crash of 1987 did not create a recession, but the recession has arrived now anyway. The essay's call to avoid tax increases was unfortunately lost, as were the calls of many others, in the unfortunate budget compromise of 1990.

Along with the recommendations made in the original essay, some fresh avenues now deserve serious review. To ease the banking crisis and financial panic, bank loan classifications should be fine-tuned to avoid overstating the extent of problem loans and to avoid placing sound new loan applications into the blacklisted "highly leveraged transaction" category. The Greenspan Commission on capital gains should be supported and capital gains taxes should be reduced if hard and objective numerical analysis convincingly predicts a positive economic effect. Further tax increases should be avoided. Equity values can be strengthened by eliminating fictional accounting charges, such as "goodwill amortization," from reported earnings. The school systems can be strengthened with experimental approaches, such as the "family school" which supports and educates young impoverished parents as well as their children.

As Winston Churchill reportedly said, "Sometimes success is moving from failure to failure with undiminished enthusiasm." In that spirit, we must proceed. ■

IN APPRECIATION, SILVIO O. CONTE.

The Ripon Society in particular and the nation in general lost one of its real leaders when Massachusetts Congressman Silvio Conte died in Washington, D.C. on February 8. The 69 year-old liberal Republican legislator represented western Massachusetts in the U.S. Congress for 32 years. For the last ten years, Conte was also an active member of the Ripon Society Congressional Advisory Board. His death was attributed to cerebral bleeding, which stemmed from a three-year bout with prostrate cancer.

In recent years, the ever-colorful Conte could be seen motoring across Capitol Hill in an electric cart equipped with U.S., Israeli and Massachusetts flags. Among Conte's many other amusing moments was his arrival on the House floor during the 1983 budget debates with a pig snout mask in hand. Of course, he soon donned the mask to demonstrate to the rest of the world the pork-barrel proclivities of the United States Congress.

In 1982, the Ripon Society presented Conte with its annual Republican of the Year award. The reason was simple. Throughout his career, the Massachusetts Republican was unflinching in his beliefs in fiscal conservatism and social liberalism. His independence was even in evidence until the end of his career. One of Conte's last congressional votes was cast in opposition to President Bush's request to authorize the use of force in the Persian Gulf.

Perhaps Silvio Conte knew his life was coming to an end and did not want one of his last acts to be the approval of sending troops into war. Who knows? All we can be certain of is that Silvio Conte was a great man of the public.

Come Join the Ripon Society and
Its Congressional Advisory Board in Honoring
The Honorable William Weld
With the Fifth Annual Jacob K. Javits
Public Excellence Award

Date: April 30, 1991
Place: Tower Suite, Time-Life Building, New York City
Time: 6p.m. reception, 7p.m. dinner
Tickets: \$400 per Person, \$4,000 per Table of Ten

STATEMENT OF OWNERSHIP, MANAGEMENT AND CIRCULATION

1. Title of Publication: Ripon Forum. 2. Date of Filing: February 15, 1991. 3. Frequency of Issues: Bi-Monthly. 3a. Number of Issues Published Annually: 5. 3b. Annual Subscription Price: \$25.00. 4. Complete Mailing Address of Known Office of Publication: 709 2nd Street, N.E., Suite 100/Washington DC 20002. 5. Complete Mailing Address of the Headquarters of General Business Offices of the Publisher: 709 2nd Street, N.E., Suite 100/Washington DC 20002. 6. Full Name and Mailing Address of Editor: William McKenzie /709 2nd Street, N.E., Suite 100/Washington DC 20002. 7. Owner: The Ripon Society/ 709 2nd Street, N.E., Suite 100/Washington DC 20002. 8. Known Bondholders, Mortgages, and Other Security Holders Owning or Holding 1 Percent or More of Total Amount of Bonds, Mortgages or Other Securities: None. 9. The purpose, function and nonprofit status of this organization and the exempt status for Federal income tax purposes: Has Not Changed During the Preceding 12 Months.

10. Extent and Nature of Circulation.	Average Number of Copies Each Issue During Preceding 12 Months	Actual Number of Copies Single Issue Published Nearest to Filing Date.
A. Total Number of Copies Printed	2225	2200
B. Paid Circulation		
1. Sales through dealers and carriers, street vendors and counter sales	10	10
2. Mail Subscriptions		
C. Total Paid Circulation	950	950
D. Free Distribution by Mail, Carrier or Other Means Samples, Complimentary and Other Free Copies	960	960
E. Total Distribution	950	1910
F. Copies Not Distributed	1910	
1. Office use, left over, unaccounted, spoiled after printing		290
2. Return from News Agents	315	0
G. Total	0	2200

H. I certify that the statements made by me above are correct and complete: William P. McKenzie.

Ripon Society Policy Calendar

This winter and spring the Ripon Society is continuing its series of policy meetings by sponsoring eight breakfast meetings on the environment and health care. The following is a list of speakers and topics:

February 12 — Michael Deland, Chairman of the Council on Environmental Quality, on Pollution Prevention.

February 19 — Thomas Kieran, Chief of Staff for the EPA's Office for Air & Radiation, on the Implementation of the Clean Air Act.

February 26 — Senator James Jeffords and Bill Matuszeski, EPA Associate Assistant Administrator for Water, on the Reauthorization of the Clean Water Act.

March 5 — Miles Chrobok, Deputy Chief of Czechoslovakian Mission, on Environmentally Sustainable Development in Eastern Europe.



March 26 — Gail Wilensky, Health Care Finance Administration, on Securing Access to Medicare.

April 2 — Thomas Scully, Office of Management and Budget, on Health Care Financing.

April 9 — Constance Horner, Department of Health and Human Services, on State Reforms in Health Policy.

April 16 — Congresswoman Nancy Johnson, Prospective Reforms in Medicare.

REVIEWS

GETTING RIGHT WITH LINCOLN

"Abraham Lincoln and the Second American Revolution" by James M. McPherson, New York: Oxford University Press, 1990.

by Alfred W. Tate

The evening before the war in the Persian Gulf began, I stood in Lafayette Park with my daughter Winifred and gazed across Pennsylvania Avenue at the White House. Unable to demonstrate anything more than our bewilderment, we had come there in hopes of finding some clue as to what was happening in our country.

Winifred remarked on how remote the illuminated mansion seemed behind its high fence and expanse of lawn, and she asked me if I thought the president was really there. I responded that I understood he was and then found myself moved to repeat to her an account I had recently read of Lincoln's signing of the Emancipation Proclamation on New Years Day, 1863.

In accordance with the tradition of the time, Lincoln had spent the better part of the day receiving a long line of government officials, members of Congress as well as ordinary citizens who had come to the White House to offer the president the greetings of the season and perhaps place before him some special plea. After shaking thousands of hands, his right arm was stiff and numb.

Taking up his pen to sign the proclamation, Lincoln said he was afraid that his hand would tremble and that when future generations examined his signature on the document they would see its shakiness as an indication "he had some compunctions" about the rightness of the action he was about to take. Although he himself judged it "slightly tremulous," onlookers con-

Alfred W. Tate is administrative assistant to Representative Jim Leach and a member of the *Ripon Forum* editorial board.

cluded his signature came out bold and clear.

LINCOLN'S LEGACIES

Lincoln's coming to mind on that foreboding-filled evening illustrates the hold he still has on our imagination. The seeming pertinence of this particular story may have arisen from a sense that Lincoln knew and accepted the often grand and sometimes terrible consequences that his acts of state had for individuals. Yet he was able to bear such awesome responsibility without being either immobilized or made uncaring by it. The story may also have seemed appropriate to the occasion because by preserving the Union and helping set in motion the complex political and economic forces that would transform the United States

For whatever reasons, Lincoln looms so large in our national life that, as historian David Herbert Konald noted, American public figures feel compelled to "get right with Lincoln."

from a loosely-knit collection of states into a continent-spanning nation, Lincoln must share responsibility for creating the distance that now seems perforce to separate the occupants of the White House from the diverse people they lead.

For whatever reasons, he looms so large in our national life that, as historian David Herbert Konald noted, American public figures feel compelled to "get right with Lincoln." In times of

crisis politicians will almost invariably justify their actions in terms of what he did in similar circumstances, or cite a Lincoln quote in support of their position on a particular issue.

If Abraham Lincoln is the central figure in our political mythology, the Civil War is the single most defining experience in our history as a nation. As its title indicates, in "Abraham Lincoln and the Second American Revolution" James M. McPherson argues that an adequate understanding of each must be based on a grasp of the effect of one upon the other. The book is comprised of seven essays, which when taken together offer an illuminating perspective on these two dominant sources of our national character.

McPherson defines revolution broadly as "the overthrow of the existing social and political order by internal violence." While concluding there is general agreement that the Civil War was indeed such a revolution, he says two points remain at issue. The first is whether the changes wrought in our society were really as great as have been claimed, and the second is which side in the conflict, North or South, could claim to be the real revolutionaries.

The first of these has been raised primarily by African-American scholars who point to the continuing impediments imposed on black people in this country. McPherson acknowledges the ongoing pernicious effects of racism. He also warns against what he calls "presentism," a tendency to read history backwards, "measuring change over time from the point of arrival rather than the point of departure." He then offers figures for the change that occurred in the former slaves' educational levels, economic opportunities and political power after the war to argue for the reality of the transformation it brought.

To the Confederate claim that in as-

serting the right to secede they were legitimate heirs of the first American revolution, McPherson counters that it was Lincoln who was the true, albeit "conservative" revolutionary. He was a conservative because, in the words of historian Norman Graebner, "he accepted the need of dealing with things as they were, not as he would have wished them to be." Further, he saw as his primary purpose the essentially conservative one of preserving the Union and maintaining the republic.

It is the means Lincoln employed to achieve this end, the abolition of slavery and the waging of total war against the Confederacy, that reveal him as a genuine revolutionary. The war destroyed the social structure of the old South and, in ending 70 years of southern domination of the national government, shifted the balance of power to northern Republicans who would control the polity and economy of the United States for the next 70 years.

In effecting his revolution, Lincoln saw through Congress an astonishing cascade of laws, most passed in less than a year. In the process, the government's role in the economy was expanded to a greater degree than in any comparable period of our history, with the possible exception of the first hundred days of the New Deal. Included were:

"A higher tariff in 1861; a homestead act, a land-grant college act, and ... a national banking act in 1863, which, along with the legal tender act of the previous year authorizing the issuance of a federal currency, the famous greenbacks, gave the national government effective control over the nation's currency for the first time. In addition, to finance the war the government marketed huge bond issues to the public and passed an Internal Revenue Act which imposed a large array of federal taxes for the first time, including a progressive income tax."

As McPherson notes, "Republicans passed them all."

Despite the activism the passage of all this epoch-making legislation required, Lincoln would say "I claim not to have controlled events, but confess plainly that events have controlled me." The events he felt himself at the mercy of were those taking place on the battlefield.

The subject of the essay, "Lincoln and

the Strategy of Unconditional Surrender," is the latter's evolving understanding of his role as commander-in-chief. As Lincoln's involvement in the prosecution of the war deepened, the conflict grew from a limited police action based on a blockade as envisioned by Scott's "Anaconda Plan" to the total war waged by Grant and Sherman against both the armies of the South and the willingness and ability of the civilian population of the region to sustain the war.

"How Lincoln Won the War with Metaphors" examines the potential justification for the assertion "if the Union and Confederacy had exchanged presidents with one another, the Confederacy might have won its independence." Lincoln's superiority to Davis as a leader is found to lie at least in part in the power of his language to unite and move the people of the North, and McPherson's explication of the source of that power does much to explain the fascination Lincoln's words still hold.

DEFINING LIBERTY

The central theme of the essays contained in the book is Lincoln's understanding of the concept of liberty and how he understood liberty to be related to power. McPherson contends that a debate over the meaning of liberty was at the heart of the conflict and that it was the emergence and triumph of Lincoln's understanding of the term that finally made the Civil War a second American revolution.

Lincoln illustrated the debate over the meaning of liberty — and his concept of it — with a parable. "The shepherd drives the wolf from the sheep's throat," he said, "for which the sheep thanks the shepherd as a liberator, while the wolf denounces him for the same act as the destroyer of liberty, especially as the sheep is a black one." Clearly the shepherd is Lincoln, the sheep was the slave, and the wolf is the slave owner.

Underlying the parable is a philosophic debate between two kinds of liberty. Lincoln's contemporary John Stuart Mill defined liberty as "protection against the tyranny of political rulers." Here the greatest potential threat to it is the power inherent in government. It is this "negative" understanding of liberty as the freedom of the individual from untoward interference by government that was the basis for the

first American revolution. It was this definition of liberty to which the South appealed.

According to McPherson, Lincoln offered the nation a different, "positive" concept of liberty, one in which the power of government is seen as playing an essential and constructive role in the securing of it.

For Lincoln, the power of government was a positive force for freedom. In exercising that power in "giving freedom to the slave," he declared, "we assure freedom to the free."

The first American revolution was found to establish freedom from the tyranny of too powerful a government. The checks and balances built into the system of governance established by the Constitution have that as their intent. Moreover, the Bill of Rights is itself a classic statement of negative liberty. Eleven of the first twelve amendments to the Constitution place explicit limitations on the power of the government over individuals. McPherson finds it a measure of the sea change Lincoln helped make in the course of American constitutional development that the six postwar amendments would include the phrase "Congress shall have the power to enforce this article..."

Both concepts of liberty have their uses and potential dangers. Anarchy looms on the one hand and tyranny on the other. The 1870s would see a revival of the concept of negative liberty and a weakened national government, accompanied by a loss of many of the gains the ex-slaves had achieved. McPherson finds the pendulum would not begin to swing back until another Republican president exercised the federal power at his disposal by sending the 101st Airborne Division to Little Rock to ensure nine black students' freedom to attend that city's Central High School.

McPherson's "Battle Cry of Freedom" won the 1989 Pulitzer Prize for History and is acknowledged as the best single volume history of the Civil War era. The book under review draws the larger lessons gained from the work that went into the former volume. Taken together, they represent an invaluable contribution to our national self-understanding. Anyone whose appetite for learning more about this turning point on our history was whetted by the PBS special on the Civil War will find these books immensely satisfying. ■

FROM REMEDIAL PROGRAMS TO PREVENTIVE MEASURES: Policy Options For The '90s

by Pete Wilson

Now more than ever, to lead is to choose. And our choice must be to give increasing attention and resources to the conditions that shape children's lives. The emphasis must be more preventive than remedial — a vision of government that is truly as uncomplicated as the old adage that an ounce of prevention is worth a pound of cure.

We will surely be asked: Are we proposing new preventive programs at the expense of established remedial programs? The answer must be, yes. That is exactly what we propose because we are compelled to choose. To lead, we must choose prevention — measures that will prove far more effective and — most important — infinitely more humane than remedial action with big price tags but uncertain results.

TEN SOCIAL REFORMS

What I propose is for us to find answers, not just to the crisis which may loom in these next 18 months, but answers that will span the 18 years of a growing child. So today, I place before this Legislature 10 initiatives to invest in human capital through child development and education.

Through these 10 steps, we will lead by choosing to prevent injury rather than react to it.

First, the best, most prudent investment we can make as a civilized society

Pete Wilson is the newly-elected Republican governor of California and a former United States senator. This article is excerpted from his January 9th address to the California Legislature and is an example of the thinking of the nation's several new moderate Republican governors.

is prenatal care to detect and treat preventable birth defects. No other action can have anything like the impact of prenatal care in reducing the human and financial costs of the life-long disabilities that are prevented. I will present to you a \$53 million plan to establish a public/private program to enable low-income women to purchase insurance for prenatal and maternity services. Let us give children their first and perhaps most important break in the world even before they enter it.

Second, I propose a \$20 million "Healthy Start" program to add new funding to school districts to integrate county health and social services into the schools where our kids spend most of their working hours. Our children must come to the classroom healthy enough to concentrate and to learn.

I propose as well funds to provide mental health counseling in elementary schools to detect and treat just as early as we can children's emotional or psychological problems. I want to discover that a child is suffering from depression that prevents learning when she is six — not when she's 16.

Next, there is no question of the significant benefits of preschool. Let us add \$50 million in state money to the funding expected from the renewed federal Head Start program, to begin to provide preschool services for every low income four-year-old.

Then, we can and must change young attitudes and change young lives. We must keep kids in school.

Few things have inspired me more than the success of volunteer mentors like "The 100 Black Men" in Los Angeles in motivating youngsters without parental guidance to stay in school and to learn. I propose funds to recruit, coordinate and train volunteers statewide to act as mentors.

I especially appeal to employers to

allow and encourage their employees to be the caring adults needed to give school-aged children the direction and self-esteem they so desperately need for success. The kids whose lives they touch graduate and go to college — not to prison.

Next, we must commit to prevention of the staggering human and financial cost of infants damaged by their mothers' substance abuse during pregnancy. I ask the Legislature to fund a program of state-mandated drug education for junior high and high school students including a component of the dangers and risks associated with substance abuse during pregnancy. The best teachers for this grim class are those whose substance abuse has so damaged their babies.

No case for prevention is more compelling than that for treatment of drug abusing pregnant women. Some may not even know, but their substance abuse is nothing less than child abuse through the umbilical cord — and we cannot permit it. Rehabilitation is our best assurance against their delivery of a second addicted newborn. An expanded treatment program, with a \$25 million funding increase and the addition of more residential facilities, will begin to reverse this tragedy. Young women must have first claim upon our capability for rehabilitation.

For the same reason, there must also be a substantial increase for the Office of Family Planning. Massive human and financial costs are associated with each unintended child that is born. Family planning education and contraceptive services are among the most sensible and humane investments we can make in our strategy of prevention.

The ninth article of prevention requires school accountability and rigorous student assessment procedures. I propose today funding the

development of a new testing instrument to replace the California Assessment Program — a way for us to assess individual student performance and, yes, teacher performance, throughout their school careers.

Finally, our children also need proper classrooms, and school construction needs in California are daunting. I will propose legislation to permit approval of local general obligation bonds with a majority vote for school facilities; as an interim measure, the placement on the June, 1992 ballot of a statewide school bond; and aggressive implementation of our commitment to year round schools.

HEALTH AND SAFETY

Preparing for tomorrow does not mean we lose sight of today. Let me assure you and the people of California that I will have no patience when it comes to the thieves, thugs, rapists, killers and drug-runners who prey on innocents in California.

Early this year I'll submit a number of proposals for reform that will make our streets, homes and schools safer.

Dealing drugs — and let's not mince words — is a crime of violence, and a cold-blooded, premeditated crime for profit. To the callous criminals who would make fat profits by making addicts of our children, be warned:

— If you sell hard drugs to children, anytime or anywhere that children congregate, I propose that you have 15 years longer to regret it than at present.

— And for you who knowingly deal drugs to pregnant women, I pledge I'll do everything in my power to put you away for life.

— I'll also introduce "truth-in-sentencing" legislation to limit the ability of violent and dangerous state prisoners to reduce their terms by earning good time credits for offenses.

But vigorous solutions for our human environment should not cause us to ignore the heritage and the future of our physical surroundings.

Within weeks, I'll propose a reorganization plan to create a California Environmental Protection Agency: Cal-EPA. This consolidation of state environmental functions will focus resource management functions in the Resources Agency and environmental regulation and risk assessment in Cal-EPA.

Pesticide regulation from the Depart-

ment of Food and Agriculture we'll also move to Cal-EPA and the chemical risk assessment and toxic programs from the Department of Health Services. Cal-EPA will have a new charter and it will have this governor's mandate that we are going to be sensible and caring stewards of our land, air and water.

ADMINISTRATIVE AND FISCAL CHALLENGES

Tomorrow, I'll present in detail everything you ever wanted to know about the budget of our state. I will spare you those details today. However, by way of sneak preview, our budget message opens with the following sentence of understatement: "As the State of California enters the final decade of the twentieth century, it faces unprecedented fiscal challenges."

*We will surely be asked:
Are we proposing new
preventive programs at the
expense of established
remedial programs? The
answer must be, yes.*

What that means, my friends, is that slow revenue growth and massively expanding expenditure increases could create over the next 18 months a deficit of more than \$7 billion. Fortunately, you and I will not let that happen.

However, if we did absolutely nothing to control programs and to erase this deficit over the next 18 months, the average family of four would see their state taxes go up by almost \$1,000 per year. As an alternative, state sales taxes would have to increase by 42 percent. That simply is not fair — especially in a time of recession.

Nor would it be fair to indiscriminately cut the budget to balance it as the Constitution requires. What you will receive tomorrow represents a balanced approach to prevent the impending crisis.

My budget contains an 18 month action plan with the following key features: it is balanced with a prudent reserve of \$1.4 billion; it contains no general increases in income, corporations or sales taxes; and it contains long-term budget reform. In order that we not aggravate the harm that would flow

from our inaction, I'll submit a timetable requiring staged decisions much earlier in the spring than the normal budget cycle requires.

We do propose additional revenues for our initiatives. They'll be raised on the basis of sound tax policy. We also fund population, enrollment and caseload growth for all programs. But with no funding for statutory or discretionary cost-of-living adjustments.

As I've already made clear, our balanced approach accepts the premise that we cannot just cut expenditures to meet our goals. If we did so, we'd have to cut the safety net for senior needs — the blind and disabled — as well as eligibility for Medi-Cal. That we will not do.

However, one expenditure will be reduced. The AFDC program should provide subsistence for poor children that will keep them, along with all other social services, healthy and well-nourished. But treating welfare as a socially acceptable permanent lifestyle is a disservice to AFDC children. It risks perpetuating dependency from generation to generation. And that's the worst thing we can do.

Children in families that receive AFDC are also eligible to receive food-stamps, medical and dental care under MediCal — including prenatal care and immunization — and HeadStart and pre-school.

In addition to these services, the AFDC program should provide subsistence for poor children that will assure us that they will be healthy and well-nourished, stimulated and ready for kindergarten.

But wholly apart from government's financial straits, we must never — if we care about poor children — permit welfare to be accepted as anything but a transition from dependency to independence and the dignity that goes with it. We must not even by implication legitimize the receipt of welfare as an acceptable permanent life-style. Ultimately, in a free society, the quality of life depends not only upon responsible action by the state, but responsible action by each individual.

An awakening of individual responsibility surely is the foundation for a free society and a free and prosperous California. ■

THE GULF WAR AND SUPPORT ON THE HOME FRONT

by Bill Clinger

It's hard to believe that in 1991, forty-six years after the end of World War II and a mere two decades after the heavy fighting in Vietnam, the United States is again at war. The sons and daughters of America are again fighting.

I had once hoped that we were beyond the type of massive land wars that have haunted us throughout history, that in some fashion, we had evolved beyond global wars that costs us so much in human terms.

Yet, obviously, I was wrong. I was wrong because a man named Saddam Hussein decided to build and use a massive modern army against a helpless neighbor; he decided to attempt control over much of the world's oil and he decided to let his army burn, pillage and terrorize the men, women and children of a weaker neighbor.

So, once again, America is at war.

I support President Bush and our actions in the Middle East and, like most people, I hope the war will end quickly with a minimum loss of life. I do believe that stopping Saddam Hussein is necessary and that the use of military force was the only option left to President Bush — no one can feel secure in a world where despots are left unchallenged.

Hussein is not your run-of-the-mill dictator. He rose to power out of the ashes of the colonial system and consolidated his control over the Iraqi people using murder and fear. Throughout his career, he has preached Arab nationalism and has vaguely called for an Arab Empire, presumably with himself at the head of it.

This Iraqi version of Arab nationalism has long been seen as a threat by the moderate states of the Gulf like Kuwait

Bill Clinger is chairman of the Ripon Society and a member of Congress from Pennsylvania.

and Saudi Arabia, enough so that their biggest worry after the Iraq/Iran war was whether or not Iraq would come after them.

Hussein invaded Kuwait and now a multinational force is setting a precedent for future international cooperation.

Well, the fears were justified, Hussein invaded Kuwait and now the United States leads a multinational force that will set a precedent for future international cooperation. Let us hope that the resolve and dedication of the coalition will set an example to discourage other would-be aggressors or dictatorial strongmen who desire conquest and domination.

President Bush has indeed talked of a new world order rising from the ashes of this conflict and his vision is a compelling one. If international cooperation can succeed here, perhaps it can be improved in other areas as well. The world community has a host of problems that could be better addressed by groups of nations cooperating closely together. Poverty, trade wars and economic development are obviously among those issues. A strengthened United Nations must certainly look into them, and maybe the coalition will serve as a catalyst for an unprecedented era of international cooperation.

THE GROUND WAR

Yet, of course, the Gulf War rages on. Presently, the efforts of the coalition are going well, but we should look cautiously at the coming ground war and must remember that Iraq still has the fourth largest army in the world, filled with several hundred thousand men who have been seasoned in battle by Iraq's long war with Iran. When we

engage them in ground actions, our forces will meet a tough, dug-in enemy.

Our advantage in technology and the success of the air war should ensure a relatively short war, but the American people must be prepared for casualties and a campaign that could last months. Hussein is betting his nation and his dictatorship that we are not willing to fight a prolonged war and hoping that he can drag the fighting out for months or years — I think he's wrong on both counts.

Soon, this war will be over and our troops will start to return from the Gulf. This army is unlike any in American history for several reasons, the most important being that everyone in the Gulf is a volunteer. But they are also older than past armies — the average age is 27 — and more of them have families. About one-fifth of the troops are reservists who will go back to civilian lives when the conflict is over. They are family men and women and we need to support them.

Unlike Vietnam, most of the American people are showing their support for our troops. There are anti-war protests, to be sure, which is to be expected in a free and open society. Dissent is an important part of our democratic tradition. But the vast majority are supporters of our objectives. The troops in Saudi Arabia deserve our support and our respect because they are people like you and me who have chosen to serve and are simply carrying out their duty.

Yellow ribbons, letters to the Gulf, signs and banners — these are all superb signs of support from the American people to our countrymen serving in the Gulf. We must keep it up and especially show our warm feelings when they return home.

And return they will. The coalition will defeat Saddam Hussein and restore peace in the Persian Gulf. His despotic reign will end and it will then be time to bring our sons and daughters home. ■

RIPON NEWS

The Ripon Society is pleased to announce the appointment of Jean Hayes as its new executive director. Hayes, a former legislative aide to Representative Bill Frenzel, R-MN., assumed her duties on February 1.

The Minnesota native brings to the position a strong background in political organizing. During the 1988 presidential campaign, for instance, she served as national director of Youth for Bush. Among her responsibilities was the registering of over 500,000 college students for the Bush-Quayle ticket and the development of a minority youth outreach program.

Since the last presidential election, Hayes served as deputy regional political director for the Republican National Committee. She was based in Denver and was responsible for advising state officials and campaigns in 12 western states. She also developed strategies for Republican state legislative caucuses.

Hayes' role with Ripon will focus on implementing the Society's fundraising plans, developing new chapters and increasing the Society's visibility. She replaces Bill McKenzie as executive director, a position he held in tandem with the editorship of the **Ripon Forum** since October 1986. McKenzie will now return his focus to the **Ripon Forum**, policy development and a regular political column.

Since January 1, political comments from the Ripon Society have been published by **The Washington Post**, **The Washington Times** and **The White House Bulletin**. Bill McKenzie's column has also appeared regularly in **The Winter Haven News Chief**, **The Providence Journal** and **The Casper Star Tribune**, among other papers. Interviews by McKenzie with authors Sidney Blumenthal and Christopher Hitchens, as well as with White House Policy Planning Director James Pinkerton, have likewise appeared in **The Dallas Morning News**. And his reviews of books on affirmative action and the life of columnist Carl Rowan have been published since

January 1 by **The Washington Post** and **The Dallas Morning News**, respectively.

On January 10, the New York Ripon Society heard a report on the Eighth Transatlantic Conference of the Ripon Educational Fund in Prague and Vienna by chapter leaders Bill Lithgow, John Vorperian and Mark Uncapher. Lithgow also told of his attendance at the British House of Commons on the evening preceding Margaret Thatcher's resignation as prime minister.

Congratulations are especially in order for New York Ripon member Florence Rice, who will be honored on May 1 with the New York Urban League's Frederick Douglass Award. The consumer affairs advocate is a longtime member of the Ripon National Governing Board and an active participant in the Freedom Republicans in Harlem. Congratulations, Florence!

On January 22, the Boston Ripon Society hosted a seminar at Tufts University on "Running The Commonwealth In The '90s." The chapter's chairman, John Sears, moderated the session. Panelists included State Senator Brian Lees, State Representatives Bob Marsh and Mary Lee King, and new Massachusetts GOP Chairman Leon Lombardi. Congratulations are also in order for Lombardi, a long-time Ripon member and a former Massachusetts GOP candidate for lieutenant governor. He will now work with Massachusetts GOP Governor William Weld, also an early Ripon member, in revitalizing the Massachusetts GOP.

Congressman Jim Leach addressed the Washington, D.C. Ripon Society on February 25. The former Ripon national chairman spoke on the Persian Gulf situation. Chapter President Ilene Rosenthal organized the brown-bag lunch, which will be now followed by a panel discussion on civil rights legislation. For more information about the D.C. chapter, please contact Brad Kendall of the Ripon national staff, 202-546-1292.

The Iowa Ripon Society heard from Iowa GOP Executive Director Randy Enwright on February 7. The chapter's

regular luncheon series also featured Iowa Lieutenant Governor Joy Corning on February 21.

Ripon Congressional Advisory Board Member Hamilton Fish, Jr. was presented on February 4 with the American Civil Liberties Union's 1990 Congressional Civil Liberties Award. Fish was instrumental in attempting to pass last year's Civil Rights Act. The ACLU also cited his work over the last ten years for the Americans with Disabilities Act, the Fair Housing Act of 1988 and the Voting Rights Act reauthorization.

Ripon National Governing Board Member Edward Goldberg recently was appointed chancellor of New Jersey's higher education activities. Goldberg has long been active in the state's higher ed department and is now set to transform the state's colleges and universities.

JAVITS DINNER

Massachusetts Governor William Weld will be the recipient of the Ripon Society's Fifth Annual Jacob K. Javits Excellence in Public Service Award. The recently-elected governor will be honored in New York City on April 30 for his commitment to ethics-in-government, fiscal accountability and social responsibility. For more information about this dinner, please contact the Ripon Society, 709 Second Street N.E., Washington, D.C. 20002, (202)546-1292.

The Ripon Society hosted a welcoming reception for the 102nd U.S. Congress on February 6. Over 100 people, including Representatives Paul Henry, Connie Morella, Amo Houghton, Don Sundquist and Bill Archer, attended the event. The feature of the evening was an auction of doodles by Elliot Richardson and Bill Frenzel and cover drawings by political cartoonist R.J. Matson. Ripon Chairman Bill Clinger served as the evening's emcee.

Austrian Ambassador Friedrich Hoess also hosted a reception for members of the Society and Transatlantic Conference participants at his residence in Washington, D.C. on January 22. ■

WASHINGTON NOTES AND QUOTES

SO WHO IS CLAYTON YEUTTER?

Alright, so political junkies know that the Nebraskan is now head of the Republican National Committee. But the former Reagan special trade representative and Bush agricultural secretary is hardly a known political quantity. White House Press Secretary Marlin Fitzwater only had this to say about the 60 year-old former Chicago Mercantile Exchange president, upon his appointment to the RNC post: "He's a President Bush conservative."

We hope that means the new GOP chief will assign priority to minority recruitment and that Yeutter will follow the inclusive "big-tent" policy on abortion that his predecessor, Lee Atwater, established while he was RNC chairman. (Atwater, by the way, now serves as GOP general chairman while he continues to battle inoperable brain cancer.)

Former Yeutter aide and long-time Republican strategist Jim Lake *does* call Yeutter "a healer" and says that Yeutter would attempt to bring together the Republican Party's various factions. But as one GOP aide joked anonymously about Yeutter in *The Washington Post*: "He's got good negotiating skills. He's going to need that trait."

HOW THE NEW PARADIGM WOULD WORK, PART ONE

In a recent *Dallas Morning News* interview with *Ripon Forum* editor Bill McKenzie, White House Policy Planning Director James Pinkerton, originator of the Bush administration's "New Paradigm" domestic policy (see pgs. 14-15), attempted to describe how the "New Paradigm" would directly affect a devastated, depressed neighborhood, like the Shaw area of Washington, D.C.

According to Pinkerton: "In the short run, it would be relatively easy to empower families with educational choice, with a choice in housing, and [with] local governments combating crime.

You could also make the money spent on job training work much better. But that's the short run. In the long term, welfare needs a radical overhaul. We're going to have to move toward some sort of guaranteed job/workfare approach.

"... Such a program may indeed cost more money. But nothing is going to make America more competitive, or kinder and gentler, until we confront the institutionalized inefficiencies of the system."

HOW THE NEW PARADIGM WOULD WORK, PART TWO

Look also for the Bush administration to push the concept of telecommuting. As Pinkerton says in the same *Dallas Morning News* interview: "Another new idea the president is talking about is telecommuting, or working at home. If your job involves computers and telephones, the chances are that you can do it at home. The biggest obstacle to this idea is not big government but the cultural bias that people should work in offices."

READ MY HIPS

When Peggy Noonan, author of the now-famous Bush phrase, "read my lips," was asked recently what she would write for President Bush today, the lyrical speechwriter seemed to struggle for just the right words. "People have a tendency to think rhetoric can have this magical effect, as though wonderful rhetoric can 'sell' bad policy. ... [pause] I guess that's all I had better say."

ARE THESE GUYS (AND WE DO MEAN "GUYS") EVER HAPPY?

In its annual "State of Conservatism" released this January, the Heritage Foundation says that "The political void is very real. We know Ronald Reagan, and George Bush has shown that he is no Ronald Reagan."

Okay, so George Bush is not Ronald Reagan. But hasn't the president adopted the right's reasoning on abortion rights? And didn't he appease far-right fears about quotas when he vetoed the 1991 Civil Rights Act? Hasn't the president also appointed jurists of conservative stripe to the bench?

Of course he has. So what is Heritage, or, for that matter, most of the right, grousing about? Must every Republican president be in lock step with all their ideas? So what if the president is also promoting an internationalist foreign policy, common sense in economic affairs and environmental action?

Give us a break.

POLLUTION PREVENTION

The new but important buzzword floating around environmental circles these days is "pollution prevention." As it sounds, the term involves attempts to reduce pollution, not just to clean it up.

The Bush administration now plans to make this issue an environmental priority. The Environmental Protection Agency and the Council on Environmental Quality, for example, are already engaged in outreach efforts with industry leaders and private groups to reduce the production of various pollutants. EPA also recently released a national pollution prevention strategy and CEQ is working with all federal agencies to incorporate pollution prevention into their traditional missions.

Moreover, the Bush administration is targeting two percent of every 1991 EPA program budget for pollution prevention demonstration projects. In 1989 and 1990, a total of \$11 million was awarded for such projects.

The aim is simple: to change what comes out of the factory or the tailpipe. As CEQ Chairman Michael Deland put it during a recent *Ripon* policy breakfast, "Pollution prevention is dependent upon what plant managers do." ■