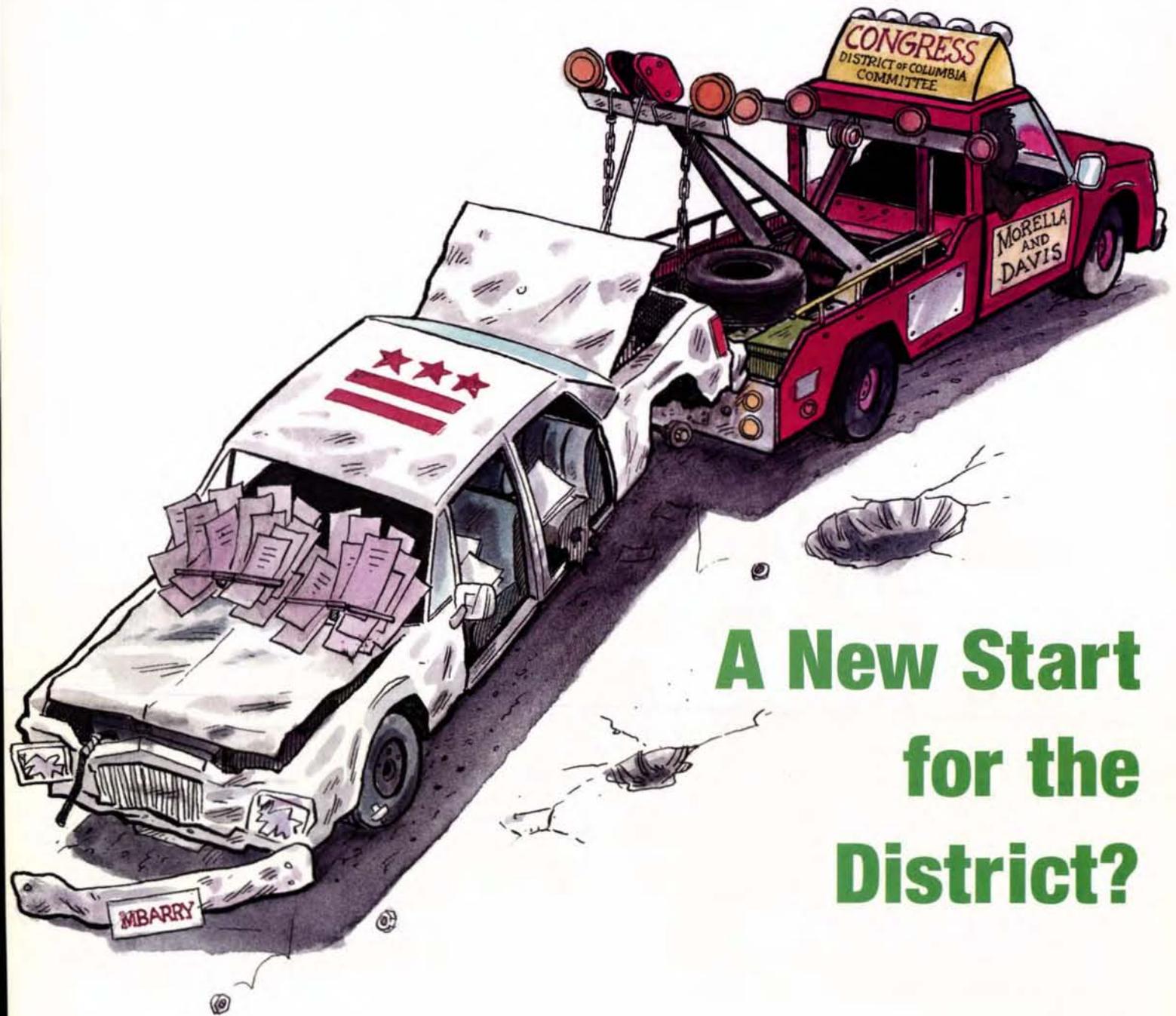


# THE RIPON FORUM

VOICE OF THE REPUBLICAN MAINSTREAM VOL. XXXIII, AUTUMN 1998 / \$3.95



**A New Start  
for the  
District?**

**Also: Ripon Looks at Health Care; Child Care Ideas**

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*Charles R. Shoemate*

**Charles R. Shoemate**

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## Fixing the District of Columbia

Long noted for its uncanny ability to issue, process and bill parking violations faster than any government bureaucracy on the planet, by 1991, it was becoming apparent that the government of the District of Columbia was inept at everything else. When Marion Barry inhaled himself off to prison many believed that the District would naturally begin to rebound. The citizens had elected a new mayor, Congress appropriated more money to pay its bills and most people expected the structure to fix itself. Most people were wrong. Despite his many faults, even Mayor-for-life Barry was not solely responsible for the city's woes. The Almanac For American Politics described the city as "a public sector of Soviet magnitude and social problems of Third World dimensions."

The District faces unique challenges by virtue of its being the nation's capital. The revenue structure is a hybrid of state and city taxes. The District can not determine whom and what it taxes, nor does it receive any aid or compensation for the predominance of tax-exempt property and organizations. The federal government, museums and foreign embassies occupy a majority of the most valued properties in the city and all are exempt from District taxes. To compensate, the city has enacted an overwhelming burden of taxation on those entities it can tax. According to the Brookings Institution, that results in at least a 25-percent higher cost of doing business than in the surrounding area.

The turnaround began with the elections in 1994, which revolutionized, if not the country, its capital.

With the re-election of Marion Barry, many in Congress recognized that significant change had to be made. By facing issues that successive Democrat Congresses had chosen to ignore, Republicans, through the hard work of the House Subcommittee on the District of Columbia, were able to put in place a system which would finally achieve some accountability within the D.C. government. Although not without controversy and some complaints from the citizens the legislation was designed to help, at the end of four years the District is finally emerging from its plight.

The financial emergency, during which the city faced bankruptcy and a mounting operating deficit, is over. The District closed last year with an operating surplus of \$186 million and a clean audit opinion.

Politically, there is also the potential for great improvement. After 20 years as the image of the District government, Marion Barry is leaving the Mayor's office. And, despite being the most heavily Democrat area in the country, two Republicans now sit on the D.C. Council. They are: Carol Schwartz, an independent-minded activist who ran well in the Mayor's race against Barry in 1994, and David Cantania, a young sharp-minded lawyer who, in a special election to fill a vacancy, holds the distinction of being the only Republican to beat a Democrat in a head-to-head campaign in the District's history. Both have stressed centrist Republican themes in their campaigns and have impressed district watchers with their tenacity and clear ability, despite the odds.

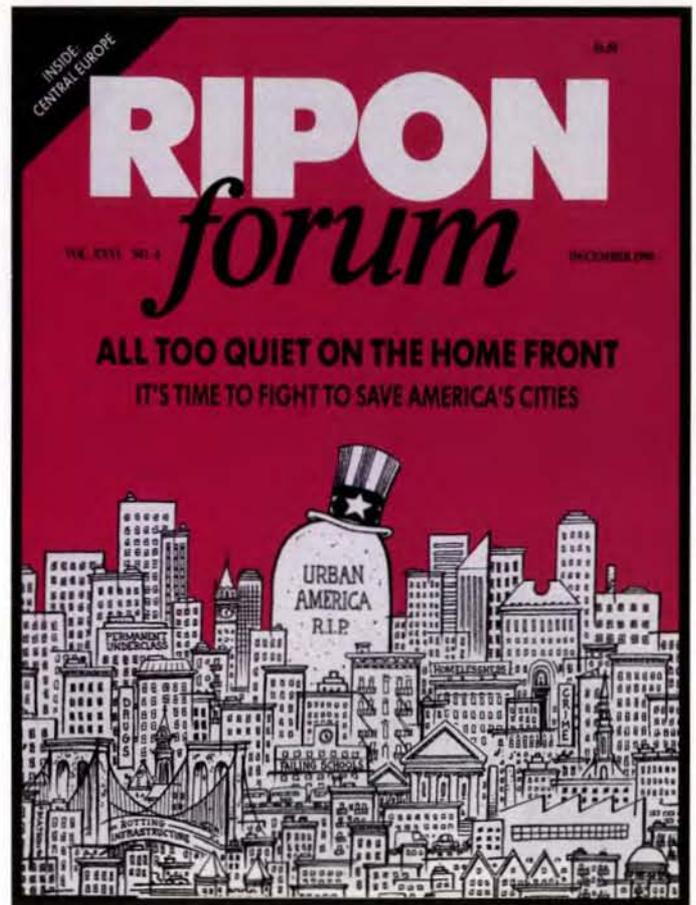
# The Ripon Forum

This issue of the Ripon Forum looks at some of the issues that Congress will be facing after the November elections as well as some of the previous accomplishments not generally heralded.

**Roland Gunn**, a former top aide on Representative Tom Davis' (Virginia) Subcommittee on the District of Columbia, details the tremendous work undertaken by that committee and the positive results achieved. **David Griswold**, Chief of Staff to Senator John Chaffee details the Teddy Roosevelt Fund. This pro-environment PAC is demonstrating that the Republican Party has many innovative ideas that will protect our resources, and the candidates to back them up.

After the elections, health care and child care will emerge as populist legislative issues. This past year, Democrats made election-year appeals on both issues to the wallets of middle class voters. As usual, the legislation sounded brilliant, caring and beneficial and as usual Republicans were unable to effectively point out that it stunk. Our nation was saved from the mess, however, by tobacco and time. Once the tobacco legislation was defeated, the major funding mechanism for a host of new programs went with it. Coming at the end of the summer, there was not enough time to rework either before the campaign season. **Malay Majmundar** is a young Ripon writer at Yale Law School. In an article for the *Forum* he delves into the issue of how to help the truly needy with child care and the problems Republicans face in fashioning a response to many Democrat feel-good proposals. In the arena of health care, **Paul Peter Jesep**, Ripon Society New England Chapter President, describes the debate before Congress and writes about one senator who's working hard to solve the problems.

The Political Roundup updates readers on events happening around the nation and **Jeff MacNelly** exhibits his award-winning humor in a recap of some of his latest cartoons.



## All Those Years Ago...

Eight years ago the *Forum* looked at the myriad of problems facing our cities. The general feeling was that downtown was dead and not coming back. None of the problems chronicled in that issue can be considered solved, but in almost every area — crime, homelessness, infrastructure and new building starts — our cities are coming back. The factors are many. A new generation of mayors, Republicans and Democrats alike, that are focusing on building communities rather than padding the bureaucracy. A booming economy and a wider range of housing options are also important. The decrease in crime and the suburban traffic nightmare has meant that many young home-buyers are once again considering the potential of city-living. Unfortunately, one issue that has not been settled, the pathetic condition of most inner city schools, may yet stall this renaissance.

# The Ripon Forum



Autumn 1998

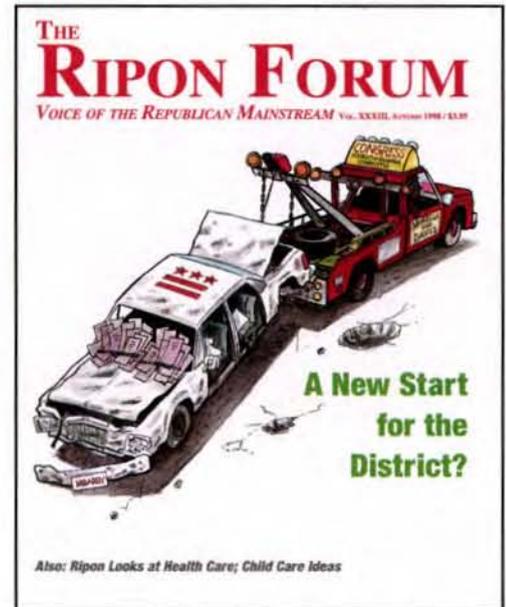
Volume XXXIII, No. 3

*"The legitimate object of government is to do for a community of people, whatever they need to have done, but cannot do at all, or cannot so well do for themselves, in their separate and individual capacities."*

— Abraham Lincoln

## At Large:

- 6 The Transformation of Our Capital City  
*Roland Gunn*
- 8 The Teddy Roosevelt Fund  
*David Griswold*
- 9 A Republican Approach to Child Care  
*Malay Majmundar*
- 15 Health Care Decisions  
*Paul Peter Jesep*



Cover Art: R.J. Matson

*The stage has been set for a significant change in the way the District of Columbia operates. The Republican Congress can take credit in accomplishing a task no one thought possible, re-vitalizing the government, structure, and soon the image of our nation's capital city. No matter who wins the race to be Mayor this November, the city has begun the climb from a national joke to a proud urban environment.*

## Departments

- 3 501 Capitol Court
- 13 Capitol Grille ..... Sen. Bill Frist
- 18 The Fifth Estate ..... Political Cartoonist Jeff MacNelly
- 19 Political Roundup

*The Ripon Forum is the journal of the Ripon Society. Comments, opinion editorials and letters to the magazine should be addressed to the Ripon Forum, 501 Capitol Court, NE, Suite 300, Washington, D.C. 20002.*

Autumn 1998

5

# Putting Our Nation's Capital Back on Track

In January 1995 our Nation's Capital was in a state of total melt down. The local government was broken and virtually dysfunctional. It could neither pay its bills nor deliver even minimal municipal services. The crime rate was out of control, the streets were disintegrating and the schools were not educating the children. The city had no access to the credit markets. In October 1998, after almost four years of Republican control of Congress, and more to the point, of active Republican involvement in the city, an amazing transformation has taken place. Today the city makes its vender payments on time, the crime rate is falling, many of the streets have been repaired, and the schools opened on time with a new level of accounting for both students and teachers. The city, instead of running an annual deficit has a healthy operating surplus with easy access to the credit markets.

What accounts for a turn around of this magnitude? When the Republicans took control of Congress in January 1995, addressing the problems of the District of Columbia, was a main agenda item. Congressional oversight over the Nation's Capital was revised under the new House rules. As a part of the over-all reform of the way the House did its business, the Committee on the District of Columbia

went from being a full committee to being a subcommittee of the Committee on Government Reform and Oversight.

Newly elected Congressman Tom Davis, from Northern Virginia, became the chairman of the newly constituted DC subcommittee. He was the first freshman to chair a subcommittee since Richard Nixon in 1948. His selection for this position showed that the House Republican leadership was willing to look at qualifications and not simply seniority, in making important committee assignments. Prior to his election, Congressman Davis was the Chairman of the Fairfax County Board of Supervisors and a leader in addressing the problems that faced the metropolitan Washington region. Of all the incoming Republican members, Congressman Davis had the most knowledge and experience to deal with the crisis facing our Nation's Capital. Speaker Gingrich was instrumental to insuring that the Republican Congress would have one of its most qualified members in position to deal with the crisis of our Nation's Capital. His selection as Chairman convinced like-minded colleagues, such as Congresswoman Connie Morella of Maryland- that the Republican leadership was serious about helping the District.

There were major changes in the District's political leadership as well. The same election, which

**Roland Gunn**

brought in the first Republican Congress in forty years, also saw the election of Marion Barry as the District's mayor. He replaced Sharon Pratt Kelly as mayor. When Mayor Kelly took office in 1991, the Democratic Congress gave the city \$1.2 billion dollars of new federal revenue over the four years of her term. This was supposed to be enough money to pay off the city's debts and let them put their house in order. Mayor Kelly didn't leave the city as well off as she found it. After using virtually every financial technique ever devised to conceal deficit spending, including a fiscal year with five tax 'quarters,' the city's finances reached the end of their tether.

The easy thing for the Congress to do would have been simply to spend more money to hide the problem. The Republicans could have given the local government more money to pay their bills and hope that it would disappear, the House Republican Leadership decided to fix the underlying problem. The most important idea that governed the plan for repairing the city is that both the city and the federal government were responsible for addressing the city's on going problems.

The first step was to look at what other cities in similar situations had done to put themselves on the path to fiscal health. Two things quickly emerged. First, a group outside of the local government needed to be empowered to make and to enforce tough choices. After all, if there were an easy, painless solution then any government would have made solved it. Second, without making fundamental changes in the way the city handled its business there was no hope of solving the problem.

On the 100th day of the 105th Congress, final action was taken on the District of Columbia Financial Responsibility and Management Assistant Act of 1995. This legislation established a presidential-appointed control board. The control board was the most powerful board of its kind in the nation. Although the initiative for action always remained with the locally elected government refused to make the hard decisions necessary to stabilize the city. In addition to creating a control board, two basic changes in the structure of the local government were enacted. The Office of the Inspector General was given more independence and made less susceptible to outside political pressures.

The most important change in the city government was the creation of a new chief financial officer. The position was made responsible for the certification of the city's revenue projections, the collection of taxes, and most importantly, the implementation of the budget. The chief financial officer was



crucial for the city being able to access the credit markets. Even more important to establishing individual responsibility, the chief financial officer put his job on the line in terms of his performance. He said that if he couldn't get a clean audit report within a year, he would resign. Last January, for the first time in many years, the Comprehensive Annual Financial Report was issued on time and without qualification. This is an important benchmark in showing that the city is putting its affairs in order.

In addition to the needed but harsh medicine of the control board, the Republican Congress also enacted the National Capital Revitalization and Self-government Act of 1997. This act addressed the basic relationship between the federal and local government. Once again, the Republican Congress applied Republican principles to the address the problems of our Nation's Capital. For example, Congress took responsibility for the pension

expenses that were run before home rule. It was unfair and financially destructive to make the city pay for expensive incurred by the federal government before there was a city government.

The federal government also assumed responsibility for the city's prisons. No city in the country is responsible for running its own prison system. The city did not do an effective job of running their prison system.

The prisoners were a danger to each other as well as to the community at large. Now, as the prisoners are moved out the DC prison at Lorton, they come under the responsibility of the Federal Bureau of Prisons. In addition, the Republicans insisted that a significant portion of the felony inmate be placed in private prisons. By changes the way that the city deals with her prisoners, the entire community is a safer place.

The Republicans also addressed the city's healthcare system. The city used to receive the lowest rate of reimbursement for Medicaid possible under federal law. This was unfair to the most needy members of the local community. In conjunction with much need administrative reform the city received an adjustment of its reimbursement rate.

There were other types of changes as well. Republican's have always believed the power of free enterprise. The city's economic base was crumbling. In 1997 significant changes were made in the tax code to encourage private investment in the city. By helping the city to grow its own economy, their long term viability is insured. Private sector jobs are the best insurance that our Nation's Capital will once again become a fitting symbol of the nation.

R

# The Teddy Roosevelt Fund— Making the GOP True-Blue Green

A group of conservation-minded Republicans has endorsed key House and Senate candidates who are helping preserve the legacy of Teddy Roosevelt, America's first environmental President.

The TR Fund is a political action committee whose mission is both to elect pro-environment Republicans to Congress and to promote a conservationist agenda within the Republican Party.

The TR Fund was launched in 1996 by its Co-Chairs, U.S. Senator John Chafee (R-RI) and U.S. Representative Sherwood L. Boehlert (R-NY). Chafee is Chairman of the Senate Environment and Public Works Committee; Boehlert is Chairman of the House Water Resources and Environment Subcommittee. Both are recognized as among Congress' foremost leaders and consensus-builders on environmental issues.

At a recent press conference on Capitol Hill, Chafee and Boehlert were joined by former EPA Administrator William Reilly, who helped craft and gain passage of the landmark Clean Air Act Amendments of 1990 in the Bush Administration and is now a member of the TR Fund Board of Advisors. They announced the Fund's list of priority candidates in the November 1998 elections.

"Republicans have made historic and lasting contributions on conservation and wildlife issues," said Chafee. "Today's environmental problems increasingly call for the work of centrists—those who combine a firm commitment to the value of our environmental laws with a recognition that these laws must sometimes be carefully updated."

"We are endorsing this distinguished group because of what they have done to protect our environ-



*Rep. Chris Shays (R-CT), Rep. Charlie Bass (R-NH), Sen. John Chafee (R-RI), Rep. Sherwood Boehlert (R-NY), Rep. Connie Morella (R-MD), William Reilly (former EPA Administrator), Rep. Sue Kelly (R-NY), Rep. Nancy Johnson (R-CT).*



*William Reilly, Rep. Sherwood Boehlert, Sen. John Chafee.*

ment, and what they will do to help us create a majority to fulfill Teddy Roosevelt's legacy for America," Boehlert said.

Chafee and Boehlert pointed out that the Republican Congress has produced important advances on the environment in the last few years, including passage of transportation legislation which links environmental protection to transportation infrastructure decisions, and expands public transportation programs.

In addition, Congress recently enacted a strengthened Safe Drinking Water Act, a tougher oil spill prevention law, increased funding for open space preservation, improvements to the National Wildlife Refuge system, and incentives for developing nations to protect fragile areas in exchange for debt forgiveness.

Charging that GOP efforts on the environment have received little attention, Boehlert and Chafee observed that "Democrats and the media have advanced the myth that the only one party is engaged in shaping environmental policy. The TR Fund is working to dispel that myth."

Chafee and Boehlert also pointed out that the TR Fund is a relatively new PAC that continues to grow. "The TR Fund's focus will continue to be to elect more pro-environment Republicans to the House and Senate in order to close the gap in voter preferences between Democrats and Republicans on the environment,"

the lawmakers say.

In this election cycle, the endorsed TR Fund candidates will receive financial assistance and technical support. The TR Fund has in return received financial support from individuals such as Theodore

Roosevelt IV, and such groups as the League of Conservation Voters and the Sierra Club and various business organizations. **R**

**David Griswold**

# Helping Those Who Can't Help Themselves: A Republican Approach to Child Care

On January 7, 1998, President Clinton unveiled a \$22 billion child care proposal that he dubbed the "single largest national commitment to child care in the history of the United States." Among other things, he called for expanding the Dependant Care Tax Credit (which allows families to claim an income tax credit for a portion of their child care expenses), increasing the level of child care subsidies to the states, providing tax breaks for businesses who invest in child care facilities, creating new slots for after-school programs, and doubling the number of children enrolled in Head Start. Clinton's proposal reflects the realization that while Americans dislike "Big Government" in the abstract, they are far more supportive of specific government programs — especially ones that claim cute and huggable children as icons. Republicans often find it difficult and awkward to engage Democrats on this level, as is well illustrated by a comment made to



*The New Republic* by a frustrated House Republican staffer, "This is the kind of stuff that drives Republicans nuts. Here's a huge problem that affects zillions of people where the market has been a complete failure. What are

the Republicans supposed to say? "That everything's hunky-dory with day care?" Republicans may temporarily breathe a sigh of relief since the Administration planned to finance its child care scheme with the money that was to be raised by the now-defunct tobacco legislation. However, there is every reason to believe that the child care issue will return in the future, and the GOP might not get off the hook as easily the next time around. Accordingly, Republicans must formulate a coherent response to the President's plan — one that goes beyond reflexively condemning the entire proposal as "Big Government."

They will need a sense of priority and perspective in order to craft such a response. Political pundit William Schneider asserts that Repub-

**Malay Majmundar**

lican objections to federally subsidized day care are based upon a worldview that is out of touch with reality: "Republicans argue it's the return of big government. It's social engineering. Child care subsidies will encourage mothers to go work outside the home. The problem with that argument is, most mothers are already working. To them and their husbands, the President's approach sounds practical and the GOP ranting sounds purely ideological." This, however, misses an important point. It would be accurate to dismiss Republican dissent as mere "ideological ranting" only if it were true that the vast majority of women work and that nearly all of these workers rely upon some form of institutional child care. The Children's Defense Fund (a leading liberal advocate for federally subsidized child care), pointing to 1997 Bureau of Labor Statistics data that 65% of mothers with children under age 6 are in the labor force, proclaims that "women work outside the home in the overwhelming majority of American families." However, the percentage of women with full-time child care needs drops to 41% once it is taken into account that many of these mothers are employed on a part-time basis. To look at it another way, according to the Census Bureau only 34% of preschool children in 1994 had mothers who worked full time.

Nor is it true that working mothers will inevitably confront the issues surrounding organized day care — the kind that is the most expensive and is at the center of the President's plan. According to the Census Bureau, only 29% of preschoolers with employed mothers were placed in organized child care centers, while fully 49% were cared for by family members and 21% were looked after by non-relatives in an informal setting (usually a private residence.) *National Review* puts the prevalence of relative care into the proper perspective:

Day care advocates like to portray exclusive parental care of children as an historical anomaly. "They say mothers have always shared caregiving," Belsky [a child development expert and professor at Penn State University] remarks. "That passes off as intellectual sophistication these days. What they don't go on to say is that in aboriginal societies where mothers share caregiving they do so with networks of blood relatives — with people who will know both the parents and the child their whole lives"... One of the best-kept secrets in the child-care debate is that most parents, including a majority of working mothers, try hard to keep child care in the family.

In a Wirthlin Worldwide poll conducted in December 1997, respondents deemed care by a relative to be the most desirable form other than that given by the mother herself. One must ultimately recognize that organized child care concerns, while worthy of public attention and perhaps government intervention, are not of sufficient magnitude to constitute a "crisis" in any meaningful sense. The *National Journal's* declaration that "only about 25-30 per cent of the preschool population would be eligible for the child care tax credits proposed by the Administration" highlights the relatively narrow scope of this issue.

Cost is one of the most important concerns for those Americans who do end up placing their children in an orga-

nized child care facility. *National Journal* estimates that in 1997, two-income families spent an average of \$86.50 a week on child care, or \$4,325 a year. A 1995 study of child care prices in six cities, conducted by the left-leaning Urban Institute found that the average annual cost for a two-year old in a child care center ranged from \$3,100 in Birmingham, Alabama to over \$7,000 in Boulder, Colorado. But here is an important point, contrary to the impression fostered by the Democrats, Americans are not equally burdened by the cost of child care. On average, families spend about 8% of their income on day care, but for low-income families that figure can reach as high as 25%. Even the Children's Defense Fund estimates that a single mother working full time and earning the minimum wage would have to pay 41% of her income to put her child in a center. The Administration's plan would have us believe that each of these families is in a crisis situation. A program tailored to those who find it difficult but not impossible to pay for day care will undoubtedly enjoy the greatest political support, but it hardly constitutes the most appropriate allocation of scarce federal resources — i.e. other people's money.

In 1996, the median income of a dual-income family with children — the kind that is the predominant user of day care — was \$57,637. Although paying for child care might strain the budget of such a family and constitute a decided inconvenience, it is philosophically suspect (at least from a Republican point of view) for any group to demand that the government use other people's tax dollars in order to create a world in which they can be free from having to make tradeoffs. In 1996, the median income of a two-parent family with children in which one parent stayed at home was \$38,835 — these are couples that made a voluntary (and not necessarily permanent) financial sacrifice so that the children that they *voluntarily* brought into the world could be cared for by the biological mother. President Clinton has said, "People in this country have to be able to succeed at work and at home in raising their children...And if we put people in the position of having to choose one over the other our country is going to be profoundly weakened." The President would have us believe that good government means that people should not have to make unpleasant choices.

Of course, Republicans need to be realistic enough to recognize that there are many low-income Americans for whom the terms of the tradeoff between working and not working are too harsh and for whom the burden of paying for child care is unduly oppressive. According to Sheldon Danziger, an economist at the University of Michigan, two sources of income for those at the bottom can constitute "the difference between making ends meet and not making ends meet." The Children's Defense Fund, using data from the Current Population Survey, estimates that one out of three children of working mothers are poor even though their mothers work, or would be poor if their mothers didn't work. Compared to middle-income families, low-income families devote a substantially larger portion of a budget to child care in order to bring home income that will have a markedly greater impact upon their well-being. It is clear where Republican priorities should lie. Margaret Talbot of *The New Republic* provides a good idea as to what the guiding principle of child care policy should be:

It's good to call attention to child care. It's better to do so with a sense of what the government's priorities should be. One important means to that end is to sort out child-care problems by income level — to target child-care assistance more effectively to the working poor and to parents for whom welfare checks will soon be drying up and not to worry so much about the rest of us...It might sound democratic and ecumenical to imagine all working parents united by the struggle for decent child care. But, in reality, the child-care problems faced by the Dodge Caravan Crowd just aren't the same as the problems faced by the scrambling-for-bus-fare poor.

Clinton's proposal to expand the Dependant Care Tax Credit (a "tax expenditure" that is the functional equivalent of a direct subsidy) by \$5.1 billion is not entirely consistent with the ideal of targeting assistance to those who need it the most. To begin with, the credit is not refundable, so very low-income families who owe little or no federal income tax will not receive any benefits. According to the House Committee on Ways and Means, in 1994 only 13% percent of the credit went to families with an adjusted gross income of less than \$20,000 a year, while 41% went to those making more than \$50,000. The President seeks to expand the credit received by families with an annual income below \$60,000, a large number of whom are comfortably above the poverty level. Clinton has also called for a total of \$500 million in tax breaks for businesses who provide child care, a proposal that the Progressive Policy Institute (a centrist Democratic think-tank) says is unlikely to increase business investment by any meaningful amount. What is the point in rewarding business for doing something that it would have done anyway, especially when there is no guarantee that it will specifically benefit low-income families? Many Republicans may smile favorably upon tinkering with the tax code in order to achieve certain socially desirable ends, but they also need to realize that it can often be an unduly blunt and crude policy instrument.

Of course, one may still raise the plausible objection that if relative care is so prevalent and praiseworthy, why should we automatically assume that paying for child care is a widespread problem for low-income families — especially when they are even more likely on average to have their children looked after by relatives? After all, according to 1993 Census Bureau data fully 60% of preschoolers in poor families were cared for by relatives, and only 1 in 6 of these arrangements required cash payments. The appropriate response to this objection is to inquire as to the fate of the other 40%. What happens to those parents on the bottom rungs of the economic ladder who need to work in order to make ends meet but are not fortunate enough to have ready and reliable access to a network of relative care? *National Review* may be correct in pointing out that blood relatives helped out with caregiving duties in aboriginal societies, but conservatives also need to recognize that we now live in a post-industrial society where such arrangements can no longer be taken for granted.

In an ideal world, we would limit assistance to those low-income families who are unable to place their children with relatives. In the real world, however, there is no fair or practical way of making such a fine distinction. A potential prob-

lem with this is that mothers who would otherwise have asked family members to look after their children might now be more likely to use organized day care facilities instead. On the other hand, if social conservatives are correct in asserting that most working mothers have a significantly stronger preference for relative care compared to institutional care, then the increased affordability of the latter should not make that much of a difference. Either way, Republicans have no choice but to accept this "risk" in order to make child care for low-income families more affordable.

A common complaint among many Republicans is that President Clinton's plan "discriminates" against mothers who stay at home because it focuses on the needs of those who place their children in organized care. Bruce Reed, Clinton's domestic policy adviser, responds, "We're the first to admit that we can't solve every problem at once." He is right. It is extremely ironic that Republicans, who usually (and rightfully) champion incrementalism and piece-meal policy-making, are now complaining that the scope of the President's plan is not nearly as broad and sweeping as it should be. While at the same time, they simultaneously criticize that limited plan for being too expensive. Such hypocrisy is not productive. Helping stay-at-home mothers may be a worthy goal, but it is beyond the scope of what should be the primary focus of child care policy — i.e. working mothers.

The proposed tax credit expansion is not the only part of the Clinton plan that goes "off the subject." The President has called for \$800 million over 5 years to expand after-school programs, creating 500,000 new slots. The Children's Defense Fund complains that too many school-aged children "are left to care for themselves" for a few hours after school and are likely to spend that time "unconstructively." Marian Wright Edelman, president of Children's Defense Fund, says that after-school activities are a "must", given that the "number one substitute for good after-school programs is television." Liberals are in effect calling for the public school system to engage in nothing more than a glorified version of babysitting, ignoring the fact that many of these schools are already doing a poor job of teaching their students how to read and write.

The attempt to link child care with education is revealing, since many day-care advocates assert that at a fundamental level child care can no longer be considered separate from learning. As Barbara Beck of *The Economist* puts it, "The principle of free education for school-age children is already entrenched throughout the rich world; there would be nothing incongruous about extending it further down the age range." Once again, however, the importance of the family needs to be underscored. The National Institute of Child Health and Human Development, a federal agency, recently sponsored a study that was conducted by prominent child-care researchers at 14 universities. The study concluded that about 32% of the difference in the mental and emotional development of the children (from birth to age 3) could be explained by their family environment, while only 1% could be traced to day-care factors. It therefore inappropriate to turn the child care Issue Into an education Issue.

President Clinton's proposal to double the number of children served by the Head Start program by adding an extra

\$3.8 billion to the current \$4.3 billion is slightly more complicated. Head Start is an early childhood education program providing services such as education, nutrition, and health to preschool-aged children during the school year (though its part-time nature does not intend it to meet the needs of full-time working parents.) Most importantly, at least 90% of the eligible children must come from families at or below the poverty level. Head Start easily meets the Republican criterion of being well targeted, and the fact that it provides comprehensive services to an overwhelmingly disadvantaged segment of the population allows it to have (at the margin) a potentially greater developmental impact as compared to the more generic day care programs serving children from more moderate-income backgrounds. The only problem with this seemingly perfect scenario is that there is little concrete evidence that the short-term gains imparted by Head Start are translated into longer-term benefits down the road. One possible response would be to declare defeat and either cut Head Start funding or eliminate the program altogether. A more enlightened approach would be to direct any new funding towards boosting the quality of the program rather than expanding its capacity, allowing the program to serve more children only after it has been shown to operate more effectively. Republicans should respond to the Administration's proposal accordingly.

President Clinton also seeks to expand the Child Care and Development Block Grant (CCDBG) by \$7.5 billion over five years. This is one component of the President's plan that *does* deserve the wholehearted support, at least in principle, of Republicans. The debate should be in the exact dollar amount (though even \$7.5 billion is not enough for the Children's Defense Fund, which demands a \$20 billion increase.) The welfare reform legislation signed into law by President Clinton in 1996 combined the four major federal child care entitlement programs for low-income families into a single block grant to the states, funded at \$22 billion over 7 years. In order to be eligible for, though not entitled to CCDBG funds, families must not have an income exceeding 85% of the state median — in 1996 the cutoff for the country as a whole would have averaged out to \$25,547 (the poverty line for that year being \$13,000 for a family of three.) Expanding the CCDBG would allow Republicans who want to provide child care assistance to low-income families to avoid the messy and inherently arbitrary task of determining who exactly should fall into the "low-income" category, since that job has already been done for them (states who feel that the eligibility limit is too low can always use their own money to cover more families.) Not only will increasing the funding for the CCDBG reduce the pressure to make the Dependant Care Tax Credit refundable, but it is also a more direct and appropriate mechanism for conducting social policy compared to manipulating the tax



code. Best of all, the block grant structure allows for considerable local flexibility and is consistent with the Republican goal of devolving power away from Washington.

The Congressional Budget Office estimates that, given the current funding level of the CCDBG, the states will face a \$1.4 billion shortfall for child care if they are to meet their welfare work targets. However, moving people off of welfare is not necessarily the same thing as lifting them out of poverty (there is such a thing as the "working poor"), and the \$1.4 billion figure may be considered inadequate insofar as it relates only to the first goal and has nothing to do with the second. Conservatives are

correct in insisting upon "Putting Work First" and in being skeptical about the effectiveness of job training programs, but they also need to acknowledge the importance of "Making Work Pay" — and it is within this context that the Republicans should think about child care. Not only is it likely that families who move off of welfare only to find themselves cut off from government child care assistance will be worse off than before, but access to child care would also help low-income workers keep their jobs and make them less likely to enter the welfare system in the first place. Any social policy that seeks to affirm the value of work must blur (to at least some degree) the distinction between low-income families who are not on welfare and working families who are. The Progressive Policy Institute accordingly calls for a child care system that will ensure that "all low-wage workers with children — those on welfare and working, those in transition from welfare to work, and those with no previous receipt of welfare —

have access to the same child care system...All low-wage working parents are treated equitably in a child care system that bases eligibility for child care on income, not on current receipt of welfare." Expanding the CCDBG would be a step in the right direction, though Republicans at the state level should try to avoid using these funds to create a host of new low-income entitlements (better to keep child care assistance conditional and discretionary.)

Republican child care policy must ultimately be oriented around the principle of limited government and a general aversion to using the coercive power of the state in order to engage in redistributive activities, but it must also be tempered by the recognition that there can be occasions when the government solves more problems than it creates, and that the government does have an obligation to improve the well-being of certain segments of society. Liberal Democrats salivate at the prospect of a European-style social welfare state, whereas conservative Republicans tend to have an allergic reaction at the mere thought of activist government. The answer, as is so often the case, lies somewhere in between. R

*Malay Majmudar is a law student at Yale University.*

## An Interview with U.S. Senator Bill Frist of Tennessee

*Government is not a trade which any man or body of men has a right to set up and exercise for his own payment — government is . . . a trust.*

Thomas Paine



L-R: Paul Peter Jesep, Senator Bill Frist (R-TN)

**B**ill Frist is a citizen-legislator. Thomas Paine would be pleased that there are still individuals in elitist, sanctimonious Washington. Frist is a heart and lung surgeon as well as a U.S. Senator from Tennessee. In 2000, he merits consideration as a possible Republican vice presidential candidate along with Gov. George Pataki of New York and Mayor Rudy Giuliani of New York City.

The citizen-legislator's ideological credentials clearly indicate a passionate conservative, but he has a political and professional pedigree that may make him more acceptable to moderate Republicans displeased with a militant hard core conservative on the ticket. As the last two presidential elections show, solid moderate Republican support will be key in defeating the Democratic presidential ticket. Lose moderate support and lose the election. Frist subscribes, as did Ronald Reagan, to a philosophy of inclusion. He enjoys people. And as an intellectual he likes to learn from others no matter their politics or background.

The nationally respected surgeon and author of numerous articles and abstracts on medical research and policy is a pragmatist. "We can win in the year 2000," he says, "so long as the extremes are kept in check. There are people who are very offended by the peripheral elements of the Republican Party. I do worry when the extremes say we are right and everybody else is wrong. That's destructive."

"You capture people," according to Frist, by bringing them together. He adds that leaders must "articulate in a real way" to people. "The candidate who can do that will win. There are people who can do it. It is an advantage [for the Republican Party that] the primary [is] wide open at this point." Frist is pleased that no one is out in front at this point since it encourages a healthy exchange of ideas.

The graduate of Princeton University and Harvard Medical School radiates with southern charm. "I have an advantage," says Frist, "[because I'm] in health care. You treat everyone the same. It's easy to cut through all those [ideological] groups and go into a room very comfortably." Frist sees the naked truth about people — we're all flesh and blood — no one better than the other. No opinion is more meritorious than another.

Since he's not a lawyer or a professional politician giving lip-service to term limits, Frist's presence in the Senate is refreshing. The surgeon is in the fourth year of his first

term. He pledges to serve only one more term. Pundits predict an easy re-election. Of course that's assuming he hasn't been tapped as the vice-presidential nominee.

Frist's outside-the-Beltway perspective is much needed in an establishment that has forgotten the lessons of Thomas Paine and being a citizen-legislator. "I spent two

weeks in Africa doing Medical mission work. People ask why. Well, I just left a foreign relations meeting where we are making decisions about the freedoms and liberties of the world — the sort of issues [and decisions] that really do influence what this world will look like in fifty years from now." He adds, "having been to Africa and on the front line where there are no freedoms or liberties, no freedom of speech, no freedom of religion — operating on people who have not seen a physician in fifteen years, who just lost a leg or hand and [yet they] still smile. Ask them why they're smiling?"

"They're smiling," Frist says reflectively, "because I'm an American. I represent freedom and liberty. There aren't many senators who go down to the southern Sudan and practice a skill that I've been blessed with and fix [for example] an abdominal mess. [This work] impacts what I do on the Foreign Relations Committee and [in the promulgation] of health care policy."

Frist pauses a moment in his elegant Capitol Hill office. A portrait of President Andrew Jackson dominates a nearby wall. With intensity he adds,

**Paul Peter Jesep**

"That sort of real life experience comes natural to me because it is the sort of thing to do. It has a huge impact on me."

Despite the exhausting demands of a United States Senator, Frist still practices medicine. He tries to go once a month into the poorest sections of Washington D.C. to help the city's most economically disadvantaged residents.

"We go to the worse parts of Washington D.C. where there is the highest percentage of gang assaults anywhere in the country," according to the citizen-legislator. "I talk with people and they open up immediately — not because I'm a United States Senator, but [because] I am there to heal. They tell me what is wrong with the system. Some people can't get prescription drugs. Some can't get into the health care system. [I take] that direct experience back over [to the Senate]. [I] pull in that information to [ask whether] we need a Bill of Rights that bashes managed care or maybe drives so many mandates that health care costs go up and therefore drives more of these people out. Or should we be looking at the quality of the doctor-patient relationship and start with that as the core."

"When someone says, 'I'm just trapped by this managed care company. I'm not treated well and I know it. Who do I tell?' That entrapment is common. People articulate it in different ways. Entrapment applies to people at every different level," according to Frist.

While Frist recognizes the problems in health care, he will not offer quick fix-solutions that endanger the long-term quality of the system. "When the Republicans come forward," he says, "with a bill it's not going to be 'let's bash any managed care [organization]' — knee-jerk response that is politically popular. The bigger, more substantive issue is improving quality over time."

In summer of this year, Frist introduced a bill to improve health quality. "Seventy percent of employees and 86 percent of Medicare beneficiaries are not included in current health care initiatives that focus on HMOs," says Frist. "I want to expand the number of people who benefit from advances in health care quality."

Frist notes, "It has been said that information is power. If that is true, then more can be done to share information with physicians, patients, and health plans to be sure Americans are getting the best quality care based on available scientific evidence. The Achilles' Heel of our otherwise outstanding health care system is the time involved in practical application of new scientific discoveries some of

which can take decades to become universally accepted. Putting into practice the volumes of information on improved care will result in significantly better health care at lower cost."

"The bill streamlines," according to a statement issued by Frist's office, "evaluation of new technologies by standardizing approval criteria and avoiding unnecessary delays. Additionally, expanding the Agency for Healthcare Quality would allow it to more easily compile research on clinical outcomes and report annually on the quality and cost of America's health care. This would provide Americans more information for comparisons of the quality of their care."

Independent of this bill, Frist observes about overall healthcare policy, "Doing more to some people means more money, more regulation." In contrast, the citizen-legislator says, "Doing more to me means thinking creatively, doing things in a way that are new and different that doesn't necessarily require more time or money. That's what a lot of people don't do here. People circulate old ideas and push them through again."

As one example, he cites the Congressional commission, on which he serves, to evaluate and secure the solvency of the Medicare program. "With the Medicare Commission," he says, "there's a whole mentality that you either have to raise taxes to get more money into the system or you have to cut benefits. I haven't thought [it through] fully yet, but I'm not convinced. That's the journey [of this Commission to decide] over the next [several] months."

"Are there other options," Frist asks rhetorically. "If we think creatively enough you get better quality for each dollar that goes [into the healthcare system]. Then you're going to get more value. You can address quality in a smart way. Some people have proposed taking advantage of investments like the way we're thinking about with Social Security — a pre-paid investment plan over your life time so you can take advantage of compounding interest and also take fewer tax dollars."

He adds, "you're taking the dynamics of what the real world sees everyday and injecting it into Medicare at no cost to the taxpayer. No more regulations. Can we take advantage of this? I don't know the answer yet." But this pragmatic citizen-legislator says forcefully, "That's the sort of creative thinking [we should be exploring]."

In regards to a universal health care system, Frist would "use market based principles. Let the market place work. And if it

doesn't work then we'll have to step in and give it a guiding hand."

The citizen-legislator has an exceptional grounding in the free market not just because of his training as a surgeon, but also due to the family business. Dr. Thomas F. Frist Sr., the senator's father who passed away this year, was a nationally respected cardiologist. Frist Sr. founded, along with eldest son Dr. Thomas Frist Jr. and businessman Jack Massey, the Hospital Corporation of America back in 1968. Now it's called Columbia/HCA with for-profit hospitals throughout the country.

The concept is simple. Inject competition to make hospitals more responsive to the needs of patients. Hospitals now have to be more sensitive to patient expectations of quality, access, and affordability, otherwise consumers shop for health care services elsewhere.

Senator Frist emphasizes that a critical component of health care is that all people must have access to it. "Access has to be addressed and addressed aggressively. Some people say we'll just buy plans for everybody. As a Republican, I say we have to [first] encourage individual responsibility. And if people can't take care of themselves then we have a high responsibility for them to improve access."

"I would love to see us move toward universal health care," but he asks cautiously — depending on what [is meant] by universal health care? I think everybody should have access to quality health care. We don't have that today. That's what we need to be working for."

The citizen-legislator would "like to improve quality which will include access to a point that we don't have people getting up in the morning worried about whether their child will be taken care of."

Bill Frist is refreshing. His arrival in Washington is one of the best things to have happened to the nation's political power center. In *The Rights of Man* published in 1792, Thomas Paine denounced Britain's "hereditary legislators" as a product of privilege, oppression, and political corruption. Today, in the nation that threw out a monarch and parliament of landed elite, an imperial presidency and aristocratic legislature have emerged that give lip service to democratic elections. Thomas Paine can rest a bit easier, however, knowing that Bill Frist — citizen-legislator — is in the Senate and protecting our great republic. **R**

# Health Care — the Next Great Debate

*The issues surrounding the quality of our nation's health care deserve to be debated responsibly and cautiously. We will not pass legislation which increases the number of uninsured, makes health care unaffordable, and diminishes rather than enhances health care quality.*

U.S. Senator Susan Collins (R-Maine)

Six years ago the economy dominated state and federal elections. Today, the access Americans have to quality health care is center stage. Congress has enormous influence on the matter, not just as the legislative branch of government formulating health care policy for the private sector, but especially through Medicare and Medicaid, programs of the Health Care Financing Administration (HCFA). In 1998, several congressional elections are likely to be determined by how candidates handle these two areas in the evolving health care policy debate.

## **I. HCFA — Medicare and Medicaid**

The federal government is the largest purchaser of health care in the country. Approximately 75 million or twenty-five percent of all Americans, receive insurance through

Medicare or Medicaid. Congress, using HCFA, is the largest consumer shopping for health care services, on behalf of the elderly, disabled, and economically disadvantaged. HCFA, headquartered in Baltimore, Maryland and with four regional offices, annually spends about \$360 billion a year for services which include skilled nursing care, home health services, and durable medical equipment, among other things.

In February 1998, *Roll Call* ran an article penned by U.S. Senator John Chafee (R-Rhode Island) and U.S. Senator Joe Lieberman (D-Connecticut). They wrote, "Government is . . . an enormous customer of health care — by far the largest in the United States — that its purchasing power could make good things happen for all health care consumers. For example, the Health Care Financing Administration [HCFA]

**Paul Peter Jesepe**

currently requires health plan quality data, prohibits 'gag provisions,' bars arbitrary length of stays for mastectomy patients in the Medicare program, and offers a new appeal and grievance process to act as a safety valve for patients denied care."

Congress is especially concerned about the escalating numbers of senior citizens who are qualifying for Medicare benefits. The Balanced Budget Act of 1997, signed by President Clinton in August of last year, provided for the creation of the National Bipartisan Commission on the Future of Medicare. Its purpose is to make "recommendations to strengthen and improve Medicare in time for the retirement of the 'Baby Boomers.'" The Commission has seventeen members and is jointly chaired by U.S. Senator John Breaux (D-Louisiana) and U.S. Representative Bill Thomas (R-California).

"Medicare is solvent for the next 12 years and will continue to provide quality health care for the 40 million Americans who rely on it today," according to Sen. Breaux. The Commission intends to take a "blank sheet of paper" approach in offering suggestions in keeping Medicare fiscally sound.

According to Rep. Thomas, "The challenges ahead are daunting. Medicare costs will still double over the next 10 years and the ratio of workers to retirees will shrink to 2 to 1, so the task will not be easy." If innovative ways are not used to stretch every dollar then higher taxes are likely for a much smaller work force.

U.S. Senator Bill Frist (R-Tennessee), a heart and lung surgeon, observes, "As a physician, I know that the key to patient care lies in first making a proper diagnosis. Over the course of the next year, we, as a group, will review the long-term financial integrity, and analyze potential solutions. There are a number of specific directives."

Frist adds, "We are asked to make recommendations regarding the financial structure of the program, the appropriate balance of benefits covered and beneficiary con-

tributions, the financing of graduate medical education, the age of eligibility, the feasibility of allowing individuals to buy into the Medicare program prior to eligibility, the impact of chronic disease and disability trends, and provide a comprehensive approach to preserve the program." The Commission is scheduled to make recommendations in March 1999.

HCFA, as one example of how it's maximizing the value of every dollar spent in Medicare, is changing the role of Peer Review Organizations. It is also considering

an expansion of their functions. These organizations are private-sector entities contracted by the federal government to help oversee the Medicare program in all fifty states and U.S. territories. Originally established in 1972 as Professional Standards Review Organizations (PSRO) to monitor the care Medicare consumers received, in 1984 they were overhauled to become Peer Review Organizations (PROs).

Federal law provides that PROs monitor the utilization and quality of health care services. Statutorily mandated review activities further high quality services for Medicare consumers. In addition, HCFA has interpreted the law to allow PROs to work in partnership with doctors, nurse practitioners, physicians assistants, and hospitals on population based projects that improve the quality of care on a very large scale.

According to PROs and HCFA, the Health Care Quality Improvement Program (HCQIP), which conducts population based projects, are saving lives and millions of dollars annually. PROs assess existing care with a baseline measurement then identify opportunities to improve it with interventions. A follow-up to assess the success is made by remeasurement. In California, the PRO worked with providers to increase anticoagulant use among Medicare consumers with atrial fibrillation. The number of stroke patients declined. Taxpayers saved \$10 million in health care costs.

The New York PRO is saving the federal government



approximately \$1.8 million by reducing bilateral catheterizations. It's project to increase the use of warfarin, a drug to thin the blood, has prevented 150 strokes and is saving \$1.3 million a year. Like New York, the Northeast Health Care Quality Foundation, serving Maine, New Hampshire, and Vermont, is also one of several PROs working on such a project.

In Florida, the PRO worked with thirteen Health Maintenance Organizations (HMOs) to improve influenza immunization rates in the Medicare population by almost fourteen percent. In 1995, a report to Congress by the U.S. General Accounting Office, conducted at the request of Sen. Chafee of Rhode Island and U.S. Senator Judd Gregg (R-New Hampshire), found that in 1993, almost 20,000 Americans in the general population died of influenza. An article in the *Annals of Internal Medicine* noted that about \$12 billion a year is drained from the economy because of influenza illness. HCFA, in another cost-saving effort, is aggressively educating providers and consumers, through PROs, about the value of getting something as inexpensive as an annual flu shot.

Many health care policy analysts believe that the potential of HCFA's PRO program remains untapped in accommodating an expanding Medicare population. There's greater opportunity to save even more money and further improve access to quality care by, in part, making population based projects national in scope.

HCFA is using PROs to implement the National Medicare Education Program (NMEP). It's a pragmatic, comprehensive, cost-effective plan to educate Medicare consumers about Medicare+Choice, a provision in the Balanced Budget Act of 1997. Medicare+Choice empowers Medicare consumers with more health care options such as Medicare Managed Care, Medical Savings Accounts, and Private Fee for Service.

Another interesting HCFA initiative is the Quality Improvement System in Managed Care (QISMC). This pertains to quality measurement and improvement. According to Jeffrey Kang, MD, MPH, Director of Clinical Standards and Quality at HCFA, managed care organizations serving Medicare and Medicaid consumers will be required to "improve health care." Managed care organizations must show, for example, evidence of improved mammography rates or higher influenza immunization rates.

The concept is simple and comparable to what PROs have already achieved. For a small investment on the front end for prevention, as studies show, hundreds of millions can be saved in the long-term because serious health care problems, with a significantly higher price tag to correct, are avoided. Risk contracts are an incentive for managed care organizations to keep people healthy from the start and not wait until a serious illness sets in.

## II. Congress As Policy Maker in the Private Sector

Independent of its role as the largest consumer/purchaser of health care, Congress is considering a broad range of legislative options that will impact businesses and indi-

vidual purchasers of health insurance still in the work force, who are enrolled in Medicare or Medicaid. Key issues include reforming managed care, the lack of health services for children, the length of wait for organ transplants, and the *guarantee*, according to a *Wall Street Journal*-NBC News poll of 2,006 Americans, that everyone has the best health care possible.

The managed care industry has been receiving a great deal of attention of late. In July 1997, Jerome P. Kassierer, M.D. wrote in the *New England Journal of Medicine* (Vol 337, No. 5), noting, "I am concerned . . . about the policies and pronouncements of the American Association of Health Plans (AAHP), the principal organization that represents managed care. I believe that its recently announced initiative called 'Putting Patients First' amounts to little more than a thinly veiled attempt to ward off state and federal legislative actions to curb the abuses." AAHP takes very strong exception to Dr. Kassierer's assessment.

On June 8, 1998, Sen. John Chafee told health care leaders at Brown University, "Many in the health care debate today in Congress and here in the General Assembly in Rhode Island believe that the answer to providing quality care for consumers lies in further government intervention and regulation of the industry. Others say that the marketplace should dictate what is and is not appropriate for managed care."

"I believe," he added, "as I always have — that there is a middle path to providing solutions, and that while some refinement of managed care may be in order to help protect consumers, managed care can also be our partner in efficient service that excels in quality care."

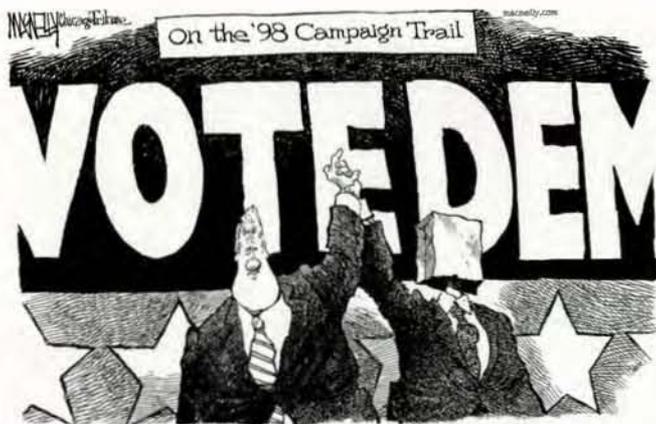
After six months of intensive work, the Senate Republican Health Care Task Force in June of this year unveiled the *Patient Bill of Rights and Health Care Quality Act*. According to U.S. Senator Susan Collins (R-Maine), "We will not enact legislation that will make health insurance more costly or drive businesses — especially small businesses — to drop coverage of their employees."

This fall, congressional candidates must carefully handle the delicate issue of health care. Government, as the largest purchaser of health care as well as a policy maker, will significantly impact health insurance for the most vulnerable and for people still in the work force. Moderate Republicans, a few of whom listed in this article, have played a key role in urging reform, especially in the managed care arena, while ever mindful of keeping what works. In addition, Moderates have successfully shown that government is a tool that can be, when properly controlled, used to better the lives of all Americans — the sick, elderly, and those still providing payroll taxes — without excessive intrusion in their lives. R

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# The Fifth Estate



**Jeff MacNelly**

# 1998 Political Roundup

*A Look at Politics  
from the  
Local Level*

## **Alabama**

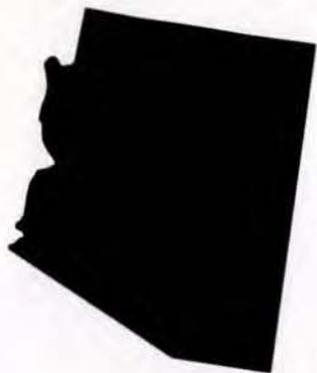


The recent death of George Wallace is an ample reminder that change takes place slowly, if at all, in the State of Alabama. Wallace was an old style populist who rallied the people against liberals, "pointy headed intellectuals," socialists and other outsiders who wanted to strip the state of its right to self-determination. Thirty-five years ago race was the issue that Wallace used to frighten and anger his supporters. While he was to publicly seek and receive

forgiveness from many African Americans who suffered under segregation, Wallace remained a populist.

In the last twenty years, Alabama has elected only three men to the Governor's office: George Wallace, Guy Hunt and Fob James. Guy Hunt, a primitive Baptist preacher and Fob James each have a streak of Wallace's defiance. With Wallace gone, and Hunt out of politics (at least as a candidate) only James is left to carry on the tradition. He may be the last of that breed. While Alabama is a deeply conservative state, no other Republicans intend to emulate either Wallace's stand at the schoolhouse door or James' vow to use the National Guard to keep federal government from removing the Ten Commandments from an Alabama courtroom. While James is almost certain to be re-elected this November, voters are optimistic that there is, at last, hope for the emergence of more centrist Republicans in state politics in the post-Wallace era.

## Arizona



In the first election since the death of conservative icon Barry Goldwater, the Arizona Republican Party appears to be moving toward the middle. Pragmatic consensus-building, rather than ideology, has moved to the forefront over the past year with the elevation of Mike Hellon as state party chairman and Jane Dee Hull as governor. Now, primary election

results reflect the success of moderation and the party appears headed for a clean sweep of every statewide office in November.

Moderate Tom McGovern defeated former state Sen. John Kaites, supported by law and-order groups, nearly 2-to-1 in the Sept. 9 Republican primary election for state Attorney General.

Some local pundits credit a voter backlash against Kaites' last-minute mudslinging campaign. But a closer look shows the likelihood of a basic turn toward the center for Arizona Republicans.

Since former Gov. Fife Symington resigned last year upon his federal fraud conviction, the grip on the Republican Party by hard-line conservatives has loosened considerably.

In an interview shortly before the primary, Symington admitted a year has changed the state party. "There has just been a sea change, I think, in the political environment, both in terms of people and of issues," Symington told the *Arizona Republic*.

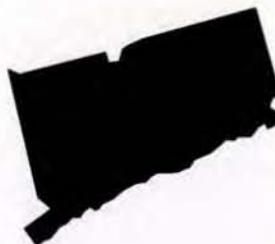
Governor Jane Dee Hull, former House Speaker and Secretary of State, has had little opposition in her push for a November election win. This is due in part to the inability of the Democratic challenger, former Phoenix mayor Paul Johnson, to successfully criticize her successful record. Johnson, for lack of a better issue, has attacked Hull for being too close to lobbyists.

The state party's move toward the center appears bound to result in a thoroughly successful election season for Republican candidates. Republicans are expected to retain majorities in the state House of Representatives and the state Senate.

Arizona Democratic Party has left some legislative seats unchallenged. Former U.S. Attorney Janet Napolitano is expected to give McGovern a close race for state attorney general, however a low Democratic turnout may doom her chances of victory.

Democrats also have had trouble fielding congressional candidates. Sen. John McCain, who faces Democratic challenger Ed Ranger in November, is expected to easily win re-election.

## Connecticut



Mainstream Republicans in Connecticut are excited by the election prospects in November. Governor John Rowland, the first Republican governor in Connecticut in 24 years, leads his opponent in the latest poll by 37 points. Polls around the state show Republicans leading in many races in traditional

Democrat districts.

Centrist Representatives Chris Shays (CT, 4th) and Nancy Johnson (CT, 6th) are poised to return to Washington. In the 1st Congressional District, Kevin O'Connor, a bright, articulate lawyer, is earning huge support and is on target to be the first Republican to serve in Washington from that district since the 1950's. Another candidate, State Senator Mark Neilsen looks likely to win in the 5th Congressional district, a seat once held by Governor Rowland.

The Republican statewide ticket led by Governor Rowland and Lt. Governor Jodi Rell includes many centrist candidates such as Santa Mendoza for Attorney General, Paul Silvester for State Treasurer and Ben Andrews for Secretary of State.

In the race for US Senate, former Congressman Gary Franks is running against incumbent Chris Dodd. Dodd, who is in the middle of a Democrat party fund raising scandal and has been unwavering in his support of President Clinton, is a vulnerable target.

All this excitement is being led by Governor Rowland, who describes himself as fiscally conservative and socially inclusive. His effort to embrace the 'Big Tent' philosophy in both government and politics can be seen by his inclusion of people with different backgrounds in his administration. This year, Governor Rowland has received national attention for recruiting a radically and ethnically diverse statewide ticket.

One of the cornerstones of the Rowland/Rell Administration has been a special focus on rebuilding Connecticut's urban centers. They have successfully begun a 'bottoms up' approach to the regrowth of the inner cities. While it hasn't been easy, municipal leaders are now beginning to understand that Connecticut will offer government assistance available to those who can present a clear vision and plan for redevelopment of their cities.

The Rowland/Rell team has held the line on the growth of spending in state government for the last four years. As a result, a wide variety of taxes have been cut, totaling \$1.3 billion. In addition, close to \$500 million in new aid to local cities and town has helped nearly half of CT's municipalities either to hold the line, or cut property taxes.

The tax cuts have included reductions in the state income tax, the implementation of a local property tax credit for income tax, the implementation of a local property tax credit for income tax filers, a reduction in the state's gas

tax, a phase down of the state's tax on businesses and the phasing out of the inheritance tax.

The combination of spending restraint and tax cuts has given Connecticut's economy a much needed boost. Unemployment is at its lowest level in ten years. The state has finished each of the last four fiscal years in surplus, and this year, for the first time ever, state government delivered tax rebate checks to more than 1 million Connecticut residents.

Other notable accomplishments include: welfare reform, higher spending on early education and reading programs, a 25 year plan to preserve open space and a state-wide reduction in crime.

With Rowland/Rell team leading the ticket, it is no surprise that mainstream Republicans in Connecticut can't wait for November 3rd.

## Massachusetts



Sometimes in primary politics a frontrunner's enmity for an opponent becomes so overwhelming that good judgment vanishes and they behave in a manner which only

strengthens their general election opponent.

Republican voters on primary day turned out in significant numbers and overwhelmingly cast their ballots for the Governor Cellucci. Time will tell if the Governor's end-of-race antics towards Joe Malone will tarnish his reputation or enhance it. Cellucci and Malone made conciliatory statements towards one as the vote totals became apparent.

In other elections for Congress and statewide office the Republican Party has two realistic opportunities for victory.

Former congressman Peter Torkildsen, while facing primary opposition, appears to be the presumptive favorite to face Democrat incumbent John Tierney in the 6th District. The general election promises to be hard fought, well financed and close and it would not surprise anyone to see Torkildsen regain his congressional seat.

The Bill Clinton factor will almost certainly be tested in the 3rd District. First term incumbent Jim McGovern warmly welcomed the President at a campaign rally in Worcester, while the president was on Martha's Vineyard for his vacation. The 3rd is a traditionally Democrat but socially conservative district, which might disapprove of their congressman's enthusiastic posture towards Clinton. Popular state senator Matthew J. Amorello will certainly prove to be an experienced and committed opponent for McGovern and might just win.

At a time when Republicans are winning nationally, being a Republican candidate in Massachusetts continues to be a daunting task — even for highly qualified and committed candidates.

## New Hampshire



Hugh Gregg, former governor of New Hampshire, is an esteemed elder statesman. He is still making national news. The spry eighty year young governor is founder of *The Library and Archives of New Hampshire's Political Tradition*.

President Bill Clinton calls the governor's initiative "a fitting tribute to New Hampshire's rich and unique political history." It is the first library in the nation, now based in Concord, New Hampshire, to gather and catalogue information on the presidential primary election process.

It's a national celebration of the world's first and greatest democracy — a rich intellectual feast for scholars and academics throughout the globe needing to understand the election process that furthers liberty and individual empowerment. The Library will also serve as an invaluable resource to journalists covering all future presidential campaigns in New Hampshire.

Hal Bruno, Political Director for ABC News, calls the library "a wonderful thing . . . You are preserving the fabric of American political history."

"Right now we're distributing the first series of base ball cards," says Gov. Gregg "of past presidential candidates who have campaigned here." It's proving to be a popular fundraiser (\$5 for a set of cards). The cards also serve as an educational tool about the primary process. Each card features a candidate with information about his or her platform.

In addition to housing exhibits and material for academic research, the Library will hold special events, programs and seminars. A study plan for school teachers about the presidential primary is also being developed. A newsletter is also available for a modest fee that is faxed or e-mailed.

Gregg, the New Hampshire presidential campaign chairman for Nelson Rockefeller, Ronald Reagan, and George Bush, is passionate about his latest pursuit, first suggested by his son, Cy. "This Library is definitely of national interest," according to the governor.

He calls it a "one stop shopping center for the media and scholars who don't know much about the primary. How can [a journalist] write a story about the primary without knowing much about it. They can talk to old timers or go to the library and pull out books. But here everything will be available to them. This Library becomes the focal point to serve the nation. There is no other state that has a library like this," he says.

Gregg underscores, "Although we will have museum exhibits from time to time, this is a library — not a museum. There are a lot of good political museums every where. But there are no libraries. The focus of this library is research and scholarship."

"There's a great misconception about the New Hampshire primary that it is self-serving," says Gregg. "This is not true. We serve a real need for the nation. We weed out the candidates. Back in 1992, we had 62 candidates on the ballot. The last time we had 45 candidates. The candidates can frame and test their issues here which they can't do in big media states. In New Hampshire you have to campaign one on one."

"We're voter friendly," Gregg adds. "All you have to do is meet the federal requirements and put down a \$1,000 and your name on the ballot. In a lot of states you can't do that. Before you can be president of the United States you have to get a party nomination. There's no place easier to start than in the New Hampshire primary. We serve the country this way. We give a person totally unidentified an opportunity to be president. Jimmy Carter would never have been president had it not been for the New Hampshire primary."

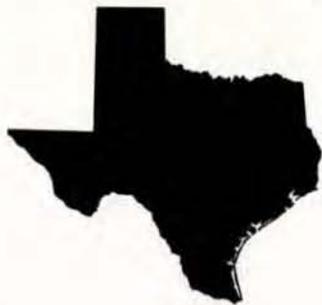
He adds, "Media is not important here. It's also a small state. You can get around quickly with a small staff and little expense. We've been doing this since 1920 and since 1952 under the current system. In twelve times we've only been wrong once in selecting the nominees." Gregg referred to fellow New Englander Sen. Tsongas beating Gov. Clinton as the one exception. "We have shown that we can do the job."

"The primary system is democracy at work," but Gregg believes that many Americans don't understand it as well as they should. "The question is how should the primary be handled. Should we have regional primaries? Should we have a national primary?" The Library helps to answer these questions for academics and political historians.

According to the governor, "If you go to a national primary system the candidates won't appear anywhere. It will be [primarily] television. When candidates leave New Hampshire to go to Pennsylvania or New York they go to an airport and make a pitch and leave. They don't go out and shake many hands. They can't. There isn't time for it. Here they don't do that. Here they go out and say hello to people."

"Down the road this Library will be the Smithsonian of politics," Gregg predicts. "We want to serve the political system. This is where people will come if they are interested in the political system and how it works."

## Texas



Texas Gov. George W. Bush is the man of the moment. The result of the Governor's race against Land Commissioner Gary Mauro is almost a foregone conclusion. Gov. Bush was leading in the most recent independent Texas Poll by a staggering 53%, with 70% to Mauro's 17%. But then Mauro must have suspected problems

when his child's godfather and current Democrat Lt. Gov. Bob Bullock discouraged him from running and endorsed Bush.

More recently, the popular former Houston Mayor Bob Lanier who has raised millions for both the Democrats and President Clinton, added his name to the growing list of Democrats endors-

ing Gov. Bush. In May a USA Today/CNN/Gallup Poll found that if the presidential election were held today, Bush would receive 50% beating Vice-President Gore's 46%. Further, if Republicans were choosing a presidential candidate, Bush would receive 30% with Elizabeth Dole at 14% being the only other candidate in double digits!

Republicans love him. Democrats love him. How has Governor Bush managed this feat in one of the most important battleground states? By applying a vision of common sense management where others would seek symbolic rhetoric. Governor Bush refuses to dabble in wedge issues that provide sustenance to the far right.

A review of several hot button issues illustrates the dilemma. On homosexuality, the Austin American Statesman quoted Gov. Bush's response to the harsh rhetoric from some quarters of the Republican party. "The truth of the matter is, that when it comes to sin, we're all sinners, and the degree of sin ought to be left to the Almighty." In July the State Board of Education joined the Baptist Church in condemning the sex and violence in films produced by Disney's Miramax unit. When the Board voted to sell \$43 million in Disney stock in the state's Permanent School Fund, Gov. Bush's response was that Texas' investment funds should focus on making money rather than moral statements.

Affirmative action and bilingual education are two other areas where Bush has steered a middle course. He has distanced himself and Texas from Gov. Pete Wilson and the "California approach." Gov. Bush's term for Proposition 209, which eliminated California's affirmative action program and Prop. 227, which gutted California's bilingual education program, was "divisive." Gov. Bush's solution when confronted with the Hopwood decision from the Supreme Court dismantling the affirmative action program at the University of Texas was to declare that every child in Texas who graduates in the top 10% of the class must be admitted to the University. This decision opened up the doors to even more minorities and was lauded in an editorial by Launi Guaniere.

Crime is another area where Gov. Bush has given a measured response. After the Jonesboro shootings when Texas Republican State Rep. Jim Pitts introduced legislation to reduce the minimum age for capital punishment from 17 to 11. Bush said, "I don't think the death penalty ought to be administered to 11-year-old children." In the case of Karla Faye Tucker, the convicted pickax murderer who drew pleas for mercy from Pat Robertson and other activists after her death-row conversion. Bush supported the Texas Board of Pardons and Paroles' position denying clemency in her case.

What other Republican gubernatorial candidate in a conservative state could cross swords with the right wing activists and still emerge as the leading presidential possibility? Although there are "rumblings from many ideological groups on the right, no candidate yet has emerged that can coalesce this voting block of support to oppose Gov. Bush. The criticisms seem to bead up and roll off his back. Surely, it must be Teflon. R

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