

# RIPON FORUM

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## POLITICS: WOMEN

"A BLACK-GOP COUP"

by Dick Behn

"Can you imagine the minority becoming the majority?" commented New York City consumer advocate Florence Rice, a delegate to the National Women's Political Convention in Boston June 29. Actually, there were two minorities to which she referred, A coalition of black and Republican women had banded together and elected Audrey Colom, a black Republican as the new chair of the NWPC.

Colom, head of the D.C. Child Advocacy Office of the Children's Defense Fund and an outgoing vice chair of the NWPC, defeated two other candidates---Roxanne B. Conlin, an Iowa Democrat, and Dolores Delahanty, a Kentucky Democrat---when Delahanty backers switched behind Colom to put her out front. Since Conlin had been a favorite to succeed Sissy Farenthold as NWPC chair, Colom's victory was a testament to the low-key political operation waged by the Black and the GOP Caucuses, both of which had endorsed Colom the night before. As one Minnesota delegate put it, "The new 'in' thing is to be young, black, and Republican." (See April 1973 FORUM for a profile of Audrey Colom.)

The backers of Colom exuded an effervescent pride in doing the improbable: e.g., a unanimous vote from the Mississippi delegation for Colom. Their Democratic sisters shook their heads in disbelief about the "unlikely" coalition. Republicans comprised about 100 of the 400 delegates. Blacks were an even smaller minority. But the two made up in savvy what they lacked in size and took advantage of growing delegate annoyance with the aggressive Conlin backers. "All of a sudden, black folks got accused of mistreating white folks," said one black delegate about the reaction of losing delegates from her state. Watching a pre-election caucus of GOP women, a male official of the Republican National Committee observed, "This is the most exciting group of Republican women I've seen in a long time."

The election's irony was compounded by the speaker who preceded the announcement of Colom's victory. Republican National Chairman Mary Louise Smith received a standing ovation before she even spoke. Wearing a GOP feminist button, the RNC chairman told the convention that press and public reaction to her had changed since she was elected to her post: "My political activities and opinions are now more important than the length of my skirt." She issued strong appeals for ratification of the Equal Rights Amendment, for women to take their "rightful place as leaders of society," and for renewed efforts to reach "a single underlying goal---freedom of choice for all individuals." Her speech was unadulterated feminism, whose essence was summed up by the comment of another GOP delegate: "We mean business."

The night before the election, the GOP caucus had voted to ask Mrs. Smith not to hold the 1976 Republican National Convention in a state which has not ratified the Equal Rights Amendment. The GOP women also capitalized on the organization of the Republican Women's Task Force of the NWPC in April. (The task force was convened by U.S. Rep. Margaret Heckler (R-Mass.) and Missouri National Committeewoman Rosemary Ginn and is temporarily chaired by Patricia Goldman, executive director of the Wednesday Group.) One of the chief goals of the task force is the increased selection of women as delegates to the 1976 Republican National Convention, as well as greater involvement by women in public and party offices. The task force is working to formulate strategies in each state. "Women are ready to organize. They just need the resources," said one task force member.

Other Republican women elected as officials of the NWPC include Betsy Griffith of the District of Columbia as vice chair and the following as at-large board members: Fran Kilgore of Indiana, Jane Riley of Maine, Grace Rohrer of North Carolina, and Liz Darlymple of the District of Columbia. Dell Chumley, an Indiana Republican, was defeated for treasurer in a controversial vote. ■

Congress has drawn its share of ridicule for the ineffectiveness of its Democratic majority. Congressional actions have lent credence to a statement once made by Mark Twain: "Suppose I were an idiot, and suppose I were a legislator. But I repeat myself." But less attention has been paid to the dismal ineffectiveness of Democratic governors and legislators who were swept into office last November all across the country. Admittedly beset by unusual economic problems, these governors and legislators have nevertheless drawn an unusual amount of bipartisan criticism. Their failure to agree among themselves, much less agree on public policy, has been alarming in several states. By contrast, the actions of Texas' governor, Dolph Briscoe, who was nearly invisible for two months this year and who is notable for his insignificance, seem laudatory. As one Texas official observed, Briscoe's major asset is "his ability to not say anything, to be quiet when he doesn't have to speak."

But other states do not benefit from the quiet gushing of Texas' petroleum industry and their officials therefore must speak...and speak...and speak.

Some governors admittedly had difficulty with a split legislature. Colorado Gov. Richard Lamm(D), for example, has blamed the failure of his legislative proposals on the Republican-controlled Senate. But like Raul Castro in Arizona, Lamm never really pushed very hard for his programs. Like many new Democratic governors, he seemed nearly as awkward in dealing with Democratic legislators as with Republican ones. Commenting on what he would have done in Lamm's place, Colorado House Minority Leader Ronald Strahle suggested: "I would have put together a comprehensive program and then been very vocal about the legislature's refusing to accept the mandate of the people in the last election." But, as Strahle indicated, "I don't think there was really any evidence of a governor's program.

New York Gov. Hugh Carey has been less bashful about blaming Republicans, inside and outside New York, for his problems. But Carey's leadership has also lacked a certain dynamism—or willingness to compromise with the Republican-controlled Senate. And Carey has been undeniably slow to get off the ground. Last fall, he told the voters: "It's the first hundred days when you make your record. I don't buy this honeymoon stuff." By the end of the first hundred days, a May poll by Gannett newspapers showed Carey with a 47% disapproval rating. Given New York State's and City's financial problems, there never was any honeymoon. Still, even appointments came slowly.

But other governors can't blame Republicans. Gov. Milton Shapp(D-Pa.) has scrapped with his Democratic-controlled legislature, whose actions in regard to scandals in state government Philadelphia government, and the conduct of one of its own members have been less than fearless. In Illinois, Democratic Gov. Daniel Walker's legislative relations have been a disaster, which is of course in part a function of Walker's relations with Chicago Mayor Richard Daley, which are also a disaster. The situation is repeated in many other states where Democrats enjoy large legislative majorities but have failed to shape effective legislative programs this year.

But the prize for legislative disasters undoubtedly is a tie between New Jersey Gov. Brendan Byrne and Massachusetts Gov. Michael Dukakis. In New Jersey, Gov. Byrne's complete inability to get an overwhelmingly Democratic legislature to pass a tax program of which he would approve brought the state to the brink of fiscal chaos. Byrne's incompetence has been detailed in the past in the FORUM. (See June 1, 1975.) As the New York Times' Ronald Sullivan observed: "Mr. Byrne has increasingly been regarded by legislators from both parties as a weak governor, incapable of persuading or forcing a handful of Democratic conservative in the Senate to abandon their opposition to his progressive fiscal policies."

The decline and fall of a Democratic governor has been even swifter in Massachusetts, where Republican members of the legislature have long been an endangered species. But Gov. Dukakis' ability to pass a budget has not been improved by his Democratic majorities. Indeed it may have hurt—when combined with the governor's own enormous talent to alienate the legislature. To the governor's credit, he is a man of unquestioned integrity. That integrity is not always appreciated by Democratic legislators who are used to greasing the wheels of government with the oil of patronage. As UPI's David Rosen observed in Boston's Real Paper, "Gov. Michael Dukakis is probably one of the smartest and most hard-working Massachusetts governors since Samuel Adams. But by keeping his campaign promise to eliminate patronage and reduce the state payroll, he is not only trying to abolish a system that has made state government work for 200 years, but bludgeoning what might have been a

perfect marriage between the first Democratic governor in 10 years and a legislature that is four to one Democratic." Dukakis' predecessor, Republican Francis Sargent, had no such legislative majority, but he was able to use the system to make it move occasionally. Dukakis has offered the legislature no carrots and the Democratic donkey does not respond to the stick.

As the Boston Herald-American's Bob Creamer observed: "A large number of legislators simply do not like the new young governor. And they freely admit it. Their feelings are being described in a variety of quarters as 'incredible hostility, absolute resentment' and even worse, 'an intense personal dislike' of Dukakis." So bad was this animosity, reports Creamer, that when Dukakis' proposal to abolish the Executive Council was defeated, a "roar of delight swept through the House Chamber." The situation has steadily worsened as the reality of the state's mounting budget deficit increases. According to the Boston Globe's David B. Wilson, "Massachusetts is like a man who has bought a Cadillac and cannot really afford to meet the payments." But Dukakis campaigned last fall on the premise that the payments could be met without a tax increase. "His no-tax pledge of the 1974 campaign, which must have won him thousands of votes, must be ashes in his mouth," writes Wilson. "But Gov. Dukakis has a strong belief that everything can be worked out, that there are no insoluble problems in state government," writes Globe colleague Carol Surkin.

Dukakis proposed method of working it out is a 20 percent surtax on the Massachusetts 5 percent income tax in 1975 and an increase to a 7 percent income tax in 1976; increase the state sales tax from 3 to 5 percent; place a 20 percent surtax on business taxes; and increase most state licenses and fees. Democratic legislators immediately announced the proposed tax increase wouldn't pass. In a television address the night before the tax increases were announced, House Minority Leader Frank Hatch, Jr., criticized Dukakis for failing to cut sacred cows in the budget like the enormous higher education budget. Commenting on the governor's rhetoric about using a meat ax on the budget, Hatch said: "While the governor has made tough statements, he has not backed them up with the tough decisions to implement them."

Dukakis can take heart, however, from the problems of Maryland Gov. Marvin Mandel, who allegedly is under investigation from the U.S. Attorney's office, which has been conducting a continuing investigation into state corruption. The U.S. Attorney's office subpoenaed his personal financial records from Mandel's accountant. Mandel got there first, however, in the presence of a state trooper, who recovered the documents before the feds arrived. Yes, things could be worse for Dukakis ---but not much worse. ■

## DULY NOTED: POLITICS

The House Republican Conference's legislative program is expected to come up for debate at the end of the July. A draft of the legislative program has been completed and will be considered by the drafting committee after the Fourth of July recess. House Minority Leader John J. Rhodes set up the committee earlier this year in order to "tap the brains and talents of House Republicans---to study the key issues facing the country with the hope of developing some innovative answers." The drafting of the document was coordinated by former U.S. Rep. Richard Shoup (R-Mont.) under the guidance of a committee consisting of ranking GOP committee members, the House Republican leadership, and some "wild card" members. When the plan to develop a House legislative program independent of the White House was announced earlier this year, it drew immediate fire. The Washington Star-News incorrectly characterized it as "a move to limit [Rhodes'] party's identification with the White House." The goal was not to subvert or undercut President Ford. In Rhodes' words, "The goal for Congressional Republicans who share my desire to become the majority must be to work toward the establishment of a clear image---or character---with the people. We must find ourselves a constructive way to register on the consciousness of the people so that when they think of "Republicans," they think not only in terms of the White House, but also in terms of Congress." Rhodes wants voters to realize that there is an alternative to Democratic congressional inaction. The legislative plan is "purposely general" in order to achieve a high degree of consensus among House Republicans. It will be a general document which acts as a framework for specific legislation. It will likely include a timetable for ending federal deficits, suggestions for reducing the size of the executive branch, social security reforms, an energy program, and revisions in workmen's compensation and workers' pension plans. After approval by the drafting committee, the plan will be discussed and amended by the House Republican Conference. Rhodes recognizes the hazards of developing a minority congressional program independently from the White House. He feels the risks are necessary: "My hope is that we can produce a document upon which Republican candidates for the House can run in 1976---something to which they can point with pride and say to the people: 'Elect a Republican Congress, and this is what it will do for our country.'"

● "Mrs. Petty Planning Victory The Next Time," by David Terrell. (Little Rock) Arkansas Democrat, June 22, 1975. "Judy Petty doesn't hedge. She's running for Congress again. She wouldn't run, last fall's loser to Wilbur D. Mills said, if she didn't think she could win. But she and her Republican backers readily acknowledge she would be stronger against one Democratic candidate than any other likely one. Strangely enough, their bets are predicated on Mills' candidacy in 1976." The theory, according to these Republicans is that a "contrite" Mills can make it through the Democratic primary, but would be vulnerable to a second Petty attack. She may have a Republican primary, however with Republican possibilities including Pulaski County GOP Chairman Bob Scott, attorney Cliff Jackson, and former Lt.Gov. Maurice L. Britt.

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● "State GOP Torn Over Fund Reins," by Fred Hillman, Newark Star-Ledger, June 15, 1975. "New Jersey's top Republicans have split in a fight for control of the party's financial reins, a spat that apparently has reached the White House and could affect President Ford's campaign in the state next year, should he seek reelection. The showdown pits State GOP Chairman Webster B. Todd against a long-time ally who has cooled noticeably of late, national GOP Committeeman Bernard Shanley, and State GOP Finance Chairman J. William Barba, a law partner of Shanley." The men split over Todd's attempt to appoint State Assemblyman John H. Ewing(R) to be comptroller of the finance committee. There is also a dispute over alleged tattle-taling to the White House about New Jersey GOP leadership and an alleged division over the 1977 gubernatorial race. Supposedly, Shanley is thought by Todd backers to be backing Treasury Secretary William Simon. However, Shanley denies that and says he doubts if Simon will run.

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● "Opposition Mounting Against Aging Scott," by William G. Williams. Meadville(Pa.) Tribune, June 24, 1975. "It's billed as Beat Hugh Scott Year, and at least ten men and a woman are mentioned in political circles as potential players in the 1976 drama. If Scott, the veteran senior senator from Pennsylvania, goes after a fourth term, it could mean a dozen names on the ballot next spring. U.S. Rep. John Heinz(R) has been the Republican most prominently mentioned as a possible replacement for Scott, but two other GOP names have also cropped up. U.S. Attorney Richard Thornburgh, who has been nominated to replace Henry Peterson as head of the Justice Department's Criminal Division, shares with the Heinz the advantage of a western Pennsylvania background. Former Philadelphia District Attorney Arlen Specter(R), on the other hand, has the handicap that both Scott and U.S. Sen. Richard Schweiker(R) hail from the Philadelphia area. Thornburgh has indicated that a Senate run is "the farthest thing from my mind," but Specter has just taken over as chairman of the Philadelphia GOP Policy Committee, a position that will provide him with political visibility in coming months and an opportunity to test his political drawing power. In addition, U.S. Rep. E.G. Shuster has been mentioned for the GOP nomination. The Democratic lineup is extensive but equally uncertain.

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● "Litton's TV Show Is Popular, Except With Competition," by Richard K. Weil, Jr. St. Louis Post-Dispatch, June 24, 1975. U.S. Rep. Jerry Litton has an unusual background to use in his forthcoming race for the Democratic Senate nomination in Missouri: He was a youthful orator who continues to make so many speeches that one fellow Missouri congressperson has said: "Litton seems to speak more often in my district than I do." He was a youthful farmer who turned his agricultural talents into a multi-million dollar cattle-raising operation. He is a former journalism student who now hosts and edits his own widely-watched television show, seen in half the state and on nine television stations. These shows with national political figures have prompted a Senate race opponent, former Gov. Warren E. Hearnes(D), to ask several stations for equal time.

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● "Chris Dodd is Playing It Cool And Cautious," by Bob Conrad. Hartford Times, June 15, 1975. "The special no extra charge, reliable prediction of the day is that Chris Dodd will try to trade in his title of congressman one of these years for that of senator. With his family background---his late father was also a congressman and then a senator---and the way he has tackled his job, Mr. Dodd is a natural." Dodd is apparently uncertain about whether to seek the Democratic nomination to oppose Sen. Lowell Weicker(R) in 1976 or seek Sen. Abraham Ribicoff's seat in 1980. In the meanwhile, he is gaining mileage with the state's large ethnic blocks by his attention to the plight of Russian Jews and his suggestion on a trip to Russia that Russian fishermen ought to stay out of American waters.

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● "Shows Little Concern," by Wayne W. Weidie. Clarksdale(Miss.) Press Register, May 29, 1975. Once upon a time, U.S. Rep. G.V. "Sonny" Montgomery(D) was a prime Republican target for political conversion. But those times have passed and Montgomery seems content to stay a Democrat and wait for one of the state's two Democratic senators to retire. Unfortunately for the 3rd C.D. congressmen, Sen. John Stennis(D) is committed to seek reelection in 1976 and Montgomery will be 58 when Sen. James Eastland's seat comes up again in 1978. Montgomery seems to be downplaying his age in an effort to keep himself in senatorial contention.



happen to Richard Nixon), Reagan would have to wage an aggressive, hard-hitting campaign across the nation to win delegate support away from Ford. The loss from such an effort might be as great as the gain. By the time the California primary came up next June, under that scenario, the bitter feelings that such a campaign would generate almost certainly would erode Reagan's support, probably enough to keep him from winning a California GOP primary." Senate race notes: Another Field poll published in June showed U.S.Rep. Barry Goldwater, Jr., as the leading choice of Republicans to contest Sen. John Tunney(D) in 1976. The percentages were Goldwater, 32%; former Controller Houston Flournoy, 25%; former HEW Secretary Robert Finch, 16%; former San Francisco State University president S.I.Hayakawa, 16%. GOP National Committeeman William Banowsky, who has taken himself out of consideration, received 2% and State Sen. Dennis Carpenter received only 1%. U.S.Rep. Alphonzo Bell (R-27th), who is also actively considering a Senate race, was not included in the poll. Still another Field poll, however, showed Flournoy as the strongest GOP candidate against Tunney, 39-46%. Goldwater trailed the incumbent, 37-50%. Assessing Tunney's vulnerability, Goldwater says, "[Sen. Alan Cranston] has done much more homework than Tunney in California. I don't think Tunney has done much in the state and I think this makes him weak." Still, Tunney is rated as a formidable opponent; Sacramento Bee Political Editor Richard Rodda predicted earlier this year that when the GOP primary is held next year, only two candidates would be left---State Sen. Carpenter and Finch---because both have little to lose if they lose to Tunney. Other candidates have political futures to be protected.

**GEORGIA** Newt Gingrich, the 32-year-old West Georgia College professor who challenged U.S.Rep. John Flynt(D-6th) in 1974, is still paying off his campaign debts but considering another challenge to Flynt in 1976, when the incumbent may also have strong primary opposition from State Rep. John Carlisle(D). Commenting recently on the state of the Georgia GOP, Gingrich said:"We've got nothing left but Goldwater and Eisenhower Republicans. We just haven't looked to the future."

**MINNESOTA** The Minnesota GOP elected one of the youngest sets of top officers in the nation when the GOP State Central Committee met in Bloomington June 14. Charles Slocum, a former GOP state official and governmental affairs coordinator for the Dayton Hudson Corp Corp., was elected state chairman, replacing State Sen. Robert Brown. Slocum, 28, will be a full-time state chairman and represents a return to moderate leadership in the Minnesota GOP after two years of Brown's consistently conservative guidance. Among the party vice chairmen elected were Mark Piepho, 22, and Jon Grunseth (who ran unsuccessfully for Congress in 1974), 29. Carrolyn Anderson, 25, was elected to her third term as a party vice chairwoman. Slocum intends to target GOP efforts at two groups---voters under 30 and over 55; he's written a 66-page plan to rebuild the state's battered party over the next four years. His election was without opposition and signifies a new organizational unity in the Minnesota GOP.

**MONTANA** A poll taken in Montana by the Republican National Committee in May showed Gov. Tom Judge(D) losing a hypothetical race to Atty.Gen. Robert Woodahl(R), 49-36%. Judge continues to be hurt by a grand jury investigation into the state's workmen's compensation scandal. The same poll, however, asked respondents to name the politician they most respected in the state. Senate Majority Leader Mike Mansfield(D) was the leader with 26.7%. Judge was second with 11.4% and Woodahl was third with 10.3%. Interestingly, Sen. Lee Metcalf(D) was sixth with 1.6%. Judge feels that he has been cleared on allegations regarding the workmen's compensation fund and his 1972 gubernatorial campaign because an IRS audit has been completed without any adverse action. Judge's optimism is not shared by Woodahl who told a June convention of the state GOP that clouds of public suspicion are hanging over Judge's Administration. Speaking of the "bigger and darker" clouds without mentioning Judge by name, Woodahl said:"I see them heading for the residence of No.2 Carson and I don't see any way the present occupant of the house can dispel them." At that same convention, Florence Haegen, the GOP's outgoing vice chairman, was elected state GOP chairman, replacing Kenneth R. Neill.

**OREGON** Former New Mexico Gov. David Cargo(R) is back in politics. Now a resident of Oregon where he practices laws in Portland, Cargo was recently elected chairman of the Clackamas County Republican Central Committee.

**WEST VIRGINIA** Former Secretary of State Jay Rockefeller has resigned his post as president of West Virginia Wesleyan in order to make pre-gubernatorial soundings for 1976. The man who beat Rockefeller in 1974, Gov. Arch Moore(R), has launched a court suit to challenge the applicability of a state law passed while he was governor which would prohibit him from seeking a third term. If he loses the suit, there is speculation Moore may run for his old 1st C.D. seat. Meanwhile, however, Rockefeller may have to fight for the nomination. Supreme Court Justice James Sprouse might run and so might State Senate president William T. Brotherton.

## COMMENTARY: ECONOMICS

COMPETITIVE VERSUS FREE ENTERPRISE

by Bert Ely

EDITOR'S NOTE: At the end of July, the Ripon Society will publish the first of two JOURNALS on the topic of "Risk and Security." Many governmental programs in this century have promoted greater individual and societal security, while attempting to reduce the risks faced by both the individual and society. Many of these programs have failed to attain their stated objectives. They have, however, led to an imbalance between risk and security in and out of government. Ripon argues that the exclusive pursuit of security is illusory because it undermines existing security. Governmental policy ought to strive for a security floor for its citizens while preserving the options for maximum risk. The implications of the risk-security balance affect a wide range of national concerns. The following article provides an introduction to one of these issues.

"Free enterprise" is a sacred cow in the pantheon of American values, ranking right up there with motherhood and apple pie. The term is misused, however, in the current context of American economics and ought to be reexamined along with the concept of motherhood. A new term is needed which better meets contemporary reality and better suits contemporary sensitivities.

"Free enterprise" is regularly talked about by conservatives and businessmen who are quite frequently subsidized, regulated, protected, and served by government contracts and government agencies. Many of our profit-oriented, non-governmentally-owned organizations which are so loosely referred to as "free enterprise" are directly or indirectly assisted by government in many ways. All industries with government-regulated rates---utilities, railroads, truckers, airlines---not only have to work harder to go bankrupt, but they are also shielded from unfettered competition. Witness government-backed attempts to keep Pan American Airlines flying and the northeast railroads chugging. The attempted Lockheed bailout dramatically illustrated the dependence of "free enterprise" organizations on the government. Some of the strongest objections to the deregulation of these industries are from those regulated free enterprisers. Undoubtedly, some know that their companies and maybe even the managers themselves are not up to the rigors of a more competitive environment. In a recent issues of Forbes magazine, Trans World Airlines Vice President Carl Meyer bemoans deregulation of the airline industry as among the "bizarre eventualities" facing TWA.

Government-sanctioned price setting, which puts an umbrella over both the very efficient as well as the very inefficient, extends far beyond the regulated industries. Fair trade laws attempt to protect not only retailers from discounters, but also manufacturers from retailers' pressures to reduce wholesale prices. Minimum milk prices along with other farm commodity price supports are indicative of limited farmer commitment to risk and competition. Bar association "suggested" fee schedules, six percent real estate commissions, state price control of liquor sold in private stores, and occupational licensing procedures are a few of the many other cases where price fixing and limitation of competition "strengthen" free enterprise---enterprise which is increasingly free of risk. Import tariffs, quotas and other forms of protectionism are also extension of the security of price fixing. Even on Wall Street, investment bankers and stock brokers predicted the end of the world would result from the fully competitive brokerage rates which became effective May 1. Competition is a vital part of the American ideal, but special considerations always make it impractical for "me." "Thee" is another matter. Profit-seeking enterprises, operating outside the scope of legitimized price fixing, try to make enterprise freer by colluding on prices. Were it not for the enforcement of the anti-trust laws and the fear that flows from that enforcement, the nation might have an even more mercantilistic economy than now exists.

There are really two types of risk in our society---natural and societal. Natural risks are the workings of the physical and chemical properties of the elements, particularly the weather. Societal risks encompass the unpredictability of man and the functioning of society's economic, tax, social and political systems. Natural risk is what the farmer exposes himself to when he plants his crops. If the crops receive too much or too little rain at certain times, or if his grain is beaten down by hail, then the farmer has suffered from a natural risk. When he takes his grain to a market unprotected by price supports and gets a low price, then the farmer has suffered from societal risk.

Societal risk implies much for freedom and our whole concept of democratic society. Freedom is the opportunity to choose---whether to be a lawyer in Manhattan or an organic farmer in Vermont, whether to order Budweiser or a Rhinegold. The obligation of a democratic society is not only to provide everyone---White Anglo-Saxon Protestant or brown-skinned Catholic Chicano---with the opportunity to choose, but to make sure there is a range of products, services, and prices from which to choose. The greater the opportunity to choose, however, the greater the risk for choices. Perhaps this is one of the great unarticulated dilemmas of our society. If a person wants to buy a



widget, and an agreement among supposed competitors prevents one from buying a widget from anyone but Manufacturer A, then there is no societal risk to A so long as the buyer desires a widget and is unwilling or unable to shop outside A's territory. But if Manufacturer B and Manufacturer C can freely compete in A's territory, then not only does the buyer have greater choice, but the sellers are exposed to greater risk. Thus, greater individual freedom flows from greater societal risk.

Our democratic form of government with its republican concept of representation implies that voters will be able to choose their representatives to government from several contenders. Democratic society, which encompasses, but reaches far beyond democratic government, implies that each individual will have choices in all facets of his/her life. The operative word is choice---competition---which in turn means risk for the providers of goods and services. Not only does much of our free enterprise limit the amount of democracy that exists within society, but the restrictiveness of noncompetitive practices reduces in quantifiable terms the output of goods and services available to us, individually and collectively, through our institutions. In a time of energy, mineral, clean water, and clean air shortages, we need more than ever to free ourselves from the limits imposed by noncompetitive sectors of our economy.

A less obvious, but more insidious, side effect of the restricted competition is the tendency to perpetuate existing institutions and the power of those individuals who control them. Pan Am is not just concerned with maintaining jobs or an American presence on overseas routes, but with also maintaining Pan Am as an institution or transforming it through merger with a domestic airline into a larger institution. Bureaucracies---both governmental and otherwise---are basically undemocratic in nature. Their leaders fight first and foremost for the survival of that bureaucratic organization. To the extent that we tolerate a lack of competition and risk, the greater the tendency to entrench undemocratic, risk-avoiding bureaucracies in American society.

After reading of and listening to staunch defenders of free enterprise pleading for subsidies, import limitations, easier enforcement of the antitrust laws, special tax breaks, etc., one must question how competition-oriented and democratically-inclined these individuals really are. That is why I propose that the term "competitive enterprise" replace "free enterprise" in our lexicon---or at least that it be used to describe that sector of our society that does enjoy relatively unfettered competition and offers genuine choice to individuals. Free enterprise has never been a good phrase---there has never been a free lunch---but it has become increasingly corrupted with usage.

Since competition implies choice and risk, "competitive enterprise" might help to sort out those who really believe in and practice competitive risk from those who only give it lip service. That might even help government officials and other citizens to focus on and lessen the uncompetitive, undemocratic conditions that exist in so many sectors of our economy. With greater commitment to choice and societal risk, it might then be possible to broaden the term to "competitive institutions," which would encompass all formal institutions in society, including governmental ones. ■

Contributor note: Bert Ely is a Virginia FORUM correspondent and a corporate financial consultant.

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