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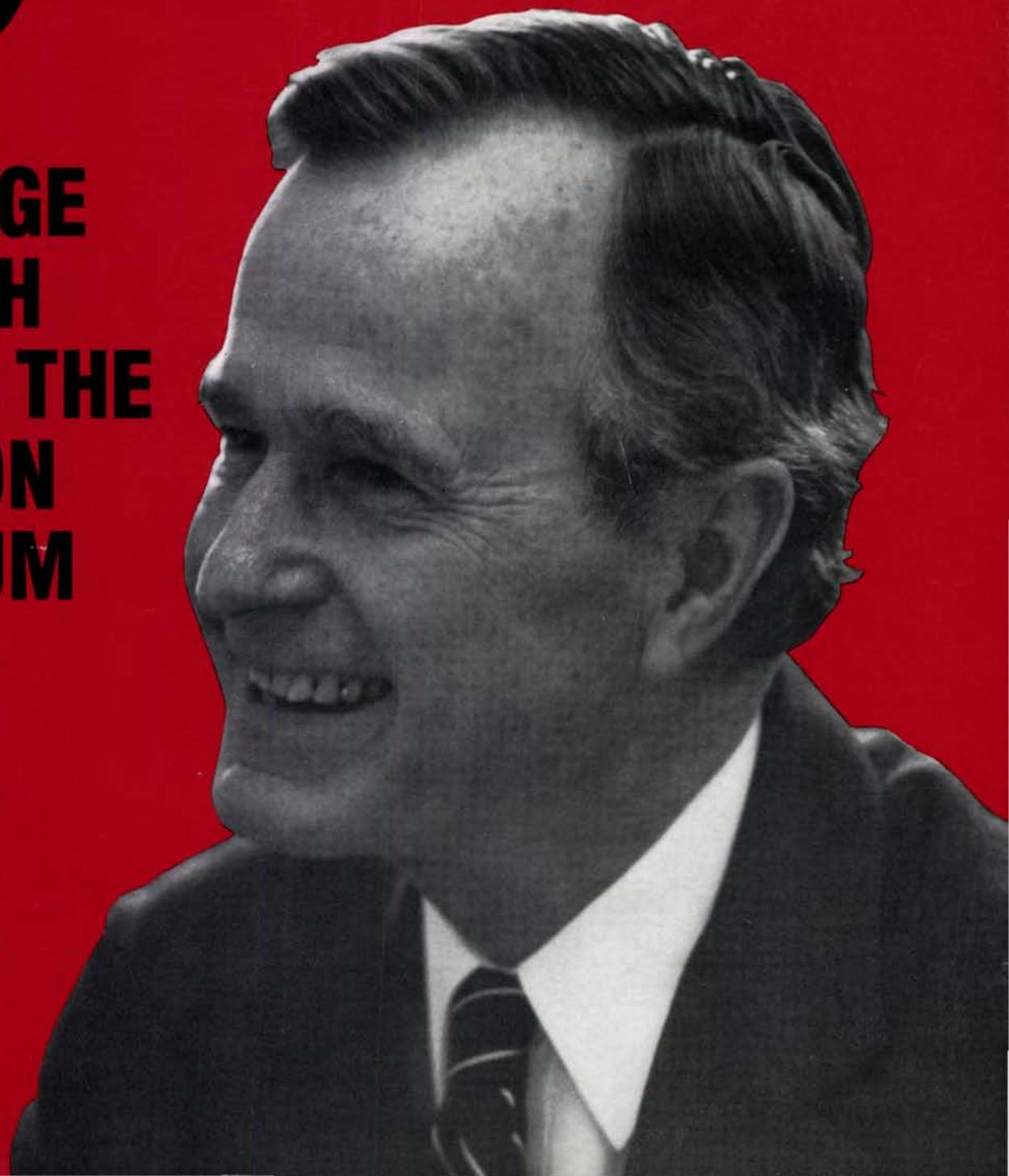
RIPON

forum

VOL. XXVI NO. 3

SEPTEMBER 1990

**GEORGE
BUSH
MEETS THE
RIPON
FORUM**



EDITOR'S COLUMN

Not every day are we able to present comments from the president of the United States. So with this issue we are pleased to provide answers to questions put to President Bush this summer by the **Ripon Forum**. As the introduction to his replies states, the **Forum** met with the president in the Oval Office on what may be one of the most historic days of his presidency: August 8, the day on which President Bush explained to the nation his reasons for sending American soldiers into Saudi Arabia.

In his response to the **Forum**, President Bush discusses some of the underlying tensions in the Persian Gulf. He also writes about the developing multipolar world, the budget deficit, family planning issues, the impact of the American West on his political development, Theodore Roosevelt and the aim of the modern Republican Party. We also are printing the text President Bush sent to the Ripon Society's annual dinner on July 31.

This issue of the **Forum** contains yet another piece from the Bush White House: an excerpt of the recent speech by domestic policy aide James Pinkerton on "The New Paradigm." The administration is using this term — and Pinkerton's address — to provide a framework for its domestic orientation. We invite your replies to the ideas presented.

Former Environmental Protection Agency chief Lee Verstandig also proposes how to structure a new Department of the Environment. And **Ripon Forum** editorial board member Steven Klinsky, a New York merchant banker, proposes three ideas for the budget debate. Similarly, Representative Steve Gunderson and **Ripon Forum** editorial board member Bill Tate discuss the on-going arts policy debate.

We also present comments on educational policy from four GOP congressional representatives, as well as Ripon Chairman William Clinger. And Mark O. Hatfield Scholar Dorothy Calhoun Zbicz analyzes the link between tropical deforestation and world hunger, an issue which she contends is "critical to the much broader concept of sustainable development."

—Bill McKenzie

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RIPON *forum*

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PROFILES AND PERSPECTIVES

PRESIDENT BUSH RESPONDS

On the balmy August morning George Bush addressed the nation to inform the U.S. of his decision to send American troops into the Persian Gulf, the **Ripon Forum** was provided a unique opportunity: to meet with President Bush in the Oval Office. The photo session marked the first time the Society has met with a president in the White House, and Ripon President Don Bliss and I represented the Society.

The meeting took place directly after the president spoke for one hour with the Kuwaiti ambassador to the United States. Naturally, some of our discussion centered on the Middle East. But the president also recalled his appearance before the Society's 1985 annual dinner, and we thanked him for his support. We also spoke about the Society's Congressional Advisory Board, various Bush family members involved in Ripon, and, well, yes, Texas. Some of us from the Lone Star State perhaps use any opportunity to discuss the past, and President Bush took delight in talking about people who had been involved in his early Texas campaigns. We also presented him with the Society's recent book, "A Newer World: The Progressive Republican Vision of America," the **Ripon Forum**, and, to make the Texas connection complete, a tape of country-western music by K.T. Oslin. By coincidence, the president, a fierce C&W fan, was to meet with Oslin the next day.

The interview which follows actually comes from written questions presented to the White House earlier this summer. This arrangement is not customary for **Forum** interviews, but the answers were indeed reviewed and edited by the president and senior White House aides. The following are his replies.

— Bill McKenzie

Ripon Forum: The case can be made that foreign policy decisions need no longer be cast in mere bi-polar terms. Central Europe, for instance, is now emerging as a more independent group of nations. When you leave office in 1996, what will be the primary poles of power within the world?

President Bush: For many years, it has been clear that the world was becoming multipolar, particularly in

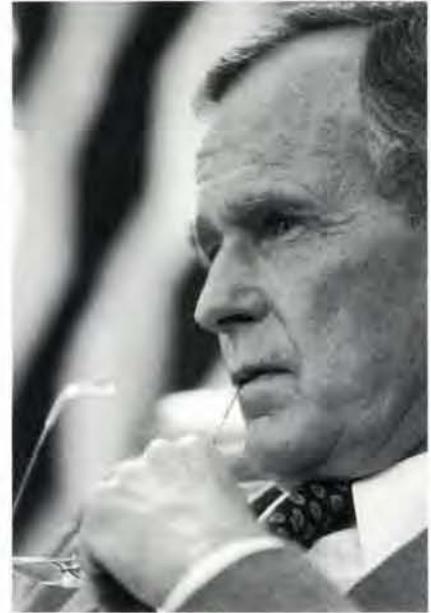
Third World radicalism remains a serious problem, which may indeed demand more of our attention in a world in which East-West tensions have relaxed.

political and economic terms. Japan and Western Europe are now major international actors, with the European Community heading toward yet another milestone of unity and consolidation by the end of 1992. The EC is also acting as a magnet to the new democracies of Central and Eastern Europe.

The Soviet Union, whatever its political evolution, will remain a formidable military power. This makes it essential for the United States to remain engaged in the world, particularly in Europe, to maintain the global balance.

China will continue to be a major factor, and will resume an even more important role once it recovers the path of economic and political reform so tragically lost at Tiananmen.

Some of the newly industrialized nations in the developing world have potential to become major players, too, because of their growing economic and



President George Bush

technological strength, from Brazil and Argentina to India to the Republic of Korea.

Ripon Forum: Now that some tension within East-West relations have been reduced, or a few of the conflicts recast, Third World problems may assume greater significance. You are now dealing, for instance, with the Arab nationalism of Iraq's Saddam Hussein, whose army recently invaded Kuwait. Over the last decade we have also been confronted with more radical elements within the Islamic faith, such as the Shiite Muslims in Iran. How do we begin to reckon with such forces?

President Bush: Third World radicalism remains a serious problem, which may indeed demand more of our attention in a world in which East-West tensions have relaxed. Saddam Hussein represents one extreme form. The spread of ballistic-missile, chemical warfare and nuclear capabilities heightens the danger from North America to Southwest Asia.

These are profound political forces that will not soon pass from the scene. The Middle East promises to be a region of turmoil in the coming decade. The United States needs to remain engaged in the search for peace. The West needs to defend its interests and values against aggression; it needs to stand by its friends in the region who are resisting



President Bush reviews the **Ripon Forum** with Donald Bliss (c) and William McKenzie (r).

such forces. The day will come when such extreme policies and philosophies are discredited by their failure to improve the well-being of the peoples subjected to them.

Ripon Forum: You've encountered a great deal of political heat over your new position favoring "tax revenue increases." What do you hope to gain in return from congressional Democrats during the current budget summit?

If the Democrats don't get a move on, they will find the government programs decimated by the Gramm-Rudman-Hollings sequester. We would much prefer not to see a sequester take place.

President Bush: Our goal in these budget negotiations is a lasting resolution of the budget crisis, to end this deficit which has been hanging over the country for years now, and to lead America reinvigorated and competitive into the new century. At the beginning of last May, I announced that the fiscal crisis facing the country was so severe that there would be "no preconditions" — everything was on the table. On June 26th, after a discouraging lack of progress by our Democrat counterparts, I went even farther and said that the situation was severe enough to warrant "entitlement and mandatory program reform, tax revenue increases, growth incentives, discretionary spending

reductions, orderly reductions in defense expenditures and budget process reform."

Now we are into the Fall. If the Democrats don't get a move on, they will find the government programs decimated by the Gramm-Rudman-Hollings sequester: an across-the-board cut of over one hundred billion dollars in government spending. We would much prefer not to see a sequester take place.

We are still hopeful that the congressional Democrats will cooperate. There is still time and there is certainly a good faith eagerness on our part to move forward. America's future both economically and as the leading nation of the world depends on a permanent fiscal solution. In that regard, I have advocated for some time now a cut in the capital gains tax rate and real reform in the budget process: a balanced budget amendment, a line-item veto and enhanced rescission power in order to hold the line on spending while being flexible enough to preserve important government programs.

The causes of our budget woes did not come out of nowhere. They were created by our political representatives and they will be solved by them — with the help of groups like the Ripon Society making their voice heard for a return to the tried and true Republican values of common sense.

Ripon Forum: Let's move ahead, it's the summer of 1992, and you're preparing your acceptance speech for the Republican National Convention. What points do you wish to establish at that gathering? What is the theme that will compare to your now famous call for a "kinder, gentler" nation?

President Bush: For me to accept the premise of your question, even hypothetically, would be presumptuous. A president has so many opportunities to be presumptuous that it's work just making sure you avoid them! So let me simply say that I am flattered by your question and that regardless of what I am doing in 1992, I will certainly still be striving for a kinder, gentler nation — and I am sure the Ripon Society will be as well.

Ripon Forum: At a time when the incidence of unplanned pregnancies and abortion is high, and public differences on abortion are divisive, federal spending on contraceptive education and family planning services are lower in real terms than they were 10 years ago. Do you think the government can do more to assist pregnancy prevention? If not, why not?

President Bush: Certainly the government can do more to prevent unwanted pregnancy. I am very proud of the work that the secretary of health and human services, Dr. Louis Sullivan, has done in spreading the message that we *can* help those for whom it may seem to be too late. As for others, as Dr. Sullivan has said, we must cultivate "a culture of character" in order to instill individual responsibility. Money alone is not the answer. But strengthening the institution of the family is surely part of the answer. I would also add that where unwanted pregnancies do occur, we have encouraged adoption of the child — turning unwanted pregnancies into wanted, cherished children, and we hope to do much more. I have proposed the "Special Needs Adoption Assis-

I like to think that my own move West shaped me in the way that a favorite president of mine, Theodore Roosevelt, was shaped by his own going out West.

tance Act of 1989" to help support and encourage adoption of children with special needs by federal employees. We are waiting for Congress to pass that legislation.

Ripon Forum: In the late 1940s, the oil industry, Texas and the West in general represented America's future, and for a 24 year-old Yale graduate, they presented quite a challenge. How did your move to Odessa, Texas in 1948 help shape your economic and political views?

President Bush: I like to think that my own move West shaped me in the way that a favorite president of mine, Theodore Roosevelt, was shaped by his own going out West—the way it helped him develop his lifelong appreciation not just for people but for nature. Now when Barbara and I headed West it was in a red Studebaker, not a locomotive. But I've always had that same appreciation for the outdoors, and I think it partly explains my determination, like his, to do something about the environment.

I also admire the fact that Teddy Roosevelt was a reformer. He stood for high ethical standards, particularly in public service. That kind of integrity, of always being your own man, is also a hallmark of the West. Many of the reform movements in American history came out of wherever was considered the West—Ripon, Wisconsin is an example.

Reform really means restoring things to their proper state. In that sense, both TR's conservationism and his trust busting were reforms. It may be that the West exerts a constant force on us, as it did on TR, and as I like to think it does on me: always reminding that reform is a kind of stewardship, of caring and concern whether for nature, for humanity or for the institutions of humanity.

Ripon Forum: You have expressed a keen interest in increasing the base of the Republican Party, in particular among black Americans. What is your vision for the GOP? Do you view it as a coalition of different voices or as an organization guided by one or two defining ideas?

President Bush: This is the age of empowerment, and the Republican Party is the party of empowerment. We believe in strengthening families, not multiplying bureaucracies. Republicans think parents should decide which public school is best for their kids. That's why this administration has proposed the Educational Excellence Act of 1990 to provide incentives among other things for magnet school programs and to provide increased choice for parents in determining their children's schools. We've also unveiled a program to help poor people run or—better yet—own their public housing units. And we support a child care tax credit for low-income working families that will enable them to care for their kids in the manner they choose.

This is the age of empowerment, and the Republican Party is the party of empowerment. We believe in strengthening families, not multiplying bureaucracies.

The message of empowerment has great appeal to all Americans, but particularly to those who have been historically disadvantaged. They're the ones who've suffered most from the bureaucratic welfare state. They want something new and something better. And that's what the Republican Party is offering. Republicans stand together for opportunity, empowerment and strong families. But it's a big party: we've got a wide variety of ideas on how to bring these principles into practice. That's good. A political party is like a choir because it needs two things: a single songbook—and lots of different voices. ■

*George Bush
Washington
July 26, 1990*

I am pleased to send my greetings to all the distinguished guests gathered for the Ripon Society Annual Dinner. A special congratulations to your honored guests: Bob Packwood, Bill Frenzel, Bill Gradison, Constance Morella, William Reilly and Boyden Gray.

For nearly three decades, the members of the Ripon Society have not only worked to expand the ranks of the Republican Party but also enlivened numerous public policy debates at the State and National level. Dedicated to promoting civil rights, flexibility in U.S. foreign policy, and the growth of free enterprise, you have helped to keep Republicans in the White House for 18 of the last 22 years, and many of your Congressional members have helped to move our country forward.

I applaud your commitment to public service, and I appreciate your contributions to the Republican Party. Your voice at the policy-making table is respected, and I look forward to working with you as we face the challenges and opportunities before us.

Barbara joins me in sending our best wishes for an enjoyable and memorable dinner.

—George Bush

Hunger and Deforestation in Tropical Countries

by Dorothy Calhoun Zbicz

Between the Tropic of Cancer and the Tropic of Capricorn lies a tropical band around the equator which has never known long summer days or cold winter nights. Found in this zone are the amazing verdant lushness of the tropical rainforest, as well as the bulk of the world's hungry.

Why this profuse growth in tandem with such devastating poverty and malnutrition? For those from temperate climes and soils, hunger in a 12 month growing season is hard to imagine. And this botanical wonderland is being cleared at a rate of some 11 million hectares per year to open the land for agriculture and ranching and to utilize its wood for fuel and timber. Yet those very places which have been deforested for food production are becoming degraded wastelands and deserts where hunger is the most threatening.

To put it directly, tropical deforestation is an urgent problem of crisis proportions with an expected outcry. World hunger is a lingering persistent tragedy. As unrelated as the two appear, they are intricately intertwined and are critical elements of the much broader concept of sustainable development. Studying the linkages requires interdisciplinary cooperation. Addressing both problems with the same projects stretches limited funds. Such solutions are not only more extensive in scope but are more lasting.

The Food and Agriculture Organization of the United Nations estimated in 1989 that some 550 million people did not receive the 2,200 calories per day re-

Dorothy Calhoun Zbicz is a recipient of a 1990 Mark O. Hatfield Scholarship. This article is excerpted from her longer six-month study on tropical deforestation and world hunger, which can be obtained from the Ripon Educational Fund in Washington, D.C.

quired for a productive, working life. Estimates from other respected sources range from 350 million to one billion. The major part of this total does not rep-

Those very places which have been deforested for food production are becoming degraded wastelands and deserts where hunger is the most threatening.

resent famine, but chronic hunger and malnutrition. Most of the hungry are children. An estimated 15 million children die each year of hunger related causes, or 18 out of 21 such deaths per minute.

These grim numbers, however, do not reflect some improvement. The percentage of the malnourished populations in LDCs (except in Sub-Saharan Africa) has dropped steadily over the past two decades, while available calories per capita have increased due to the Green Revolution. Most authorities agree that producing adequate grain supplies for even an additional five to nine billion people, although challenging, is possible.

Yet hunger is not so much a supply problem as one of demand, or at least access. By the year 2000, some four-fifths of the globe's population will live in the developing world, although the percentage of the world's food production in these countries continues to decline.

Overwhelming debt, increasingly disparate incomes and staggering growth in numbers of landless and those living on marginal land leave the poor hopelessly unable to produce or purchase food for their families. Here is where the hungry confront the forest.

DEFORESTATION AND HUNGER

Four-fifths of the world's tropical moist forest is contained in nine countries, five of which have serious hunger problems. Brazil alone possesses one-third of the forest, and Zaire and Indonesia each hold an additional 10 percent. But these forests are disappearing at a rate of 11 million hectares a year, or 20 to 40 hectares per minute.

Many reasons exist to save such forests, but almost all of them relate to human survival. One billion people in less developed countries are directly affected by deforestation, from resultant flooding due to loss of upland watersheds to fuelwood scarcity to loss of forest food and medical resources. Agriculture suffers from deforestation through soil erosion, siltation of irrigation water supplies, soil compaction and depletion. The forest canopy breaks the torrential tropical downpours (typically an inch in a half hour) into drizzle, preventing rapid erosion and leaching of the soil.

Although widely disputed as to how, the tropical forests are involved not only in moderating local weather conditions, but also global climate change. The Amazon basin drains some two-thirds of the world's fresh water not tied up in the ice caps. The rainforest has a role in absorbing and releasing this moisture, and its loss could result in changes in air circulation patterns and rainfall, most seriously in Africa.

In 1985 the FAO accurately described the link between hunger and tropical deforestation. According to its tropical forest action plan:

"It is now generally recognized that the main cause of the destruction and degradation on the tropical forest is the poverty of the people who live around them and their dependence on the forest lands for their basic needs... The most important link between people and tropical forestry is the substantial trans-

fer of forest land to food production."

The World Resources Institute has identified the spread of agriculture for crops and livestock as the single greatest cause of deforestation, and most of this is carried out by small scale farmers with no other options. WRI lists the true reasons behind this conversion to agriculture as poverty, skewed land distribution and low agricultural productivity.

Control of population growth can be achieved only with the education and emancipation of women and by granting them some control over family planning decisions.

To survive on poor tropical soils, forest farmers for millenia have practiced "shifting cultivation" by slash and burn. Burning adds ash which raises soil pH and minerals, providing for two or three years' harvests before the farmers are forced to cut more forest and begin the process again. This type of agriculture, although hard work, was sustainable when plots were small and the forest had decades to regenerate. Today, it not only permanently destroys the forest, but its inefficient productivity is too low to meet the demands of growing populations

In addition, the critical fuel wood shortage faced by one billion people in LDCs limits quality and nutritional content of cooked grains, while burning dung as fuel robs the soil of much needed fertilizer. According to WRI, this reduces grain harvests by an estimated 14 million tons per year.

Overriding most causes of deforestation, however, is poverty and its bedfellow, population growth. The majority of the world's hungry are rural and dependent on agriculture for survival. Thus, although the hungry are often the agents of deforestation, they are not the causes.

Efforts to end hunger and deforestation are especially doomed to fail unless they specifically include women, nurturers of both children and trees. Women are still primarily responsible for food preparation and the family's nutrition. According to a Malawian

agricultural officer, "Women carry out about 70% of the agricultural operations in Malawi. This includes garden preparation, weeding, transporting the crop, processing and marketing." Yet in many countries women still do not have access to land ownership, credit or agricultural extension. Control of population growth can be achieved only with the education and emancipation of women and by granting them some control over family planning decisions. The solutions to hunger and deforestation must actively involve women in LDCs or they are doomed to fail.

If deforestation is primarily a problem of shifting cultivation, and if most of the world's hungry are the rural poor subsistence farmers, then most successful solutions will of necessity be agricultural. Protection for the remaining tropical forests and increased purchasing power for the hungry will in large part depend on raising agricultural productivity and profit from tropical countries. For this to be sustainable and allow for population growth, farmers must be encouraged through appropriate incentives to abandon shifting cultivation for profitable permanent attachment to their own farms. This move will require a combination of changes in government policies and land tenure laws, increased commitment to tropical agricultural research and emphasis on improved natural resource management. It is a holistic approach which removes deforestation from the domain of forestry departments and integrates it into the LDCs overall development plan.

SUSTAINABLE FOREST USE

While much slash and burn agriculture is for family consumption, most is not for subsistence only. It is also market-oriented, which means saving the forests must involve reducing the profitability of forest-destroying enterprises such as slash and burn while greatly increasing that of sustainable forest use.

Sustainable Forestry—Damage to the surrounding forest and access created by roads make the timber industry perhaps the greatest threat to remaining tropical forests, even though such harvesting does not even show in actual deforestation figures. The technology exists today for low impact tim-

ber extraction and sophisticated silvicultural management for sustained yield. Yet unfortunately, as long as primary forest is available and cheaper to harvest, sustainable forestry is unlikely.

Changes in host governments' attitudes towards the finite forest resources must precede shifts in timber policies which can encourage forest management and conservation. Such attitude changes are beginning to occur in LDCs as they observe the value being placed on their forests by the developed world. But they need both moral and financial support during their transitional period.

The FAO suggests that the forest industry may employ 35 million rural people in LDCs. If accurate, this reduces hunger for a significant number in the short term, although ultimate

Damage to the surrounding forest and access created by roads make the timber industry perhaps the greatest threat to remaining tropical forests.

destruction of the forest will only increase hunger problems. On the other hand, sustained yield forest management creates more jobs over a longer period without depleting the resource base. As LDCs begin to take control of their own forest industries, foreign influence will be felt most keenly in the area of demand. Developed world demand for tropical hardwoods is still insatiable, while costs do not yet accurately reflect the actual environmental costs of deforestation. Public awareness in consumer nations is thus of utmost importance. If trade in ivory can be stopped through international agreement, surely destructive harvest of tropical hardwoods can be controlled.

Extractive Reserves—Much attention has been given lately to the harvest of non-wood forest products and the creation of extraction reserves. In Brazil the National Council of Rubber Tappers and the Rural Workers' Union have worked with the government to establish communally-managed extractive

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Beyond Anti-Communism: A Foreign Policy For The Post-Cold War Era

Now that the Cold War is over, and steadfast Republican commitment to the doctrine of containment has been vindicated, GOP leaders should rejoice in the triumph of ideas. Western democracy and market-oriented economics have won out over Marxist-Leninist theology in Eastern Europe and even the Soviet Union; countries as diverse as Mozambique and Mongolia are putting an end to one-party rule; and multi-party democracies are now flourishing in Hungary and Czechoslovakia.

Among some conservatives, however, deep skepticism remains about the world's changes. Frank J. Gaffney, head of the Center for Security Policy and a former aide to Reagan-era assistant defense secretary Richard Perle, recently told the *National Journal*: "I feel more comfortable today than ever describing the Soviet Union as the 'evil empire.'"

Such reactions are not altogether surprising. The West's primary opponent of the last 45 years—communist ideology—has been discredited almost overnight. Some lag time in western thinking about new goals is understandable.

BEYOND ANTI-COMMUNISM

A fierce anti-communism, however, can no longer be the sole force behind the GOP's foreign policy. The party must now reexamine those stubborn issues that were given a lower priority during the Cold War: hunger and poverty; the Third World debt crisis; environmental destruction; and regional nationalism. New foreign policies must also focus on the challenge of increased global economic competition and the reality of a united Germany living within a unified

Europe.

To be certain, these issues are baffling. Yet clinging to the familiar Cold War framework, or urging the U.S. to disengage from the world scene, are not adequate responses. Nor would such reactions bring success at the polls.

U.S. foreign policies must instead have a clearly defined goal and a number of strategies for achieving its goals. One broad aim we suggest is that the U.S. mesh its geopolitical interests with its historic commitment to ensuring that individuals, as well as individual nation-states, be able to select their own political and economic system.

American foreign and domestic policies must work in harmony.

Commitments must be limited to those that can be honored and afforded.

This goal will require that American foreign and domestic policies work in harmony. Journalist James Chace says that the U.S. must follow a policy of "solvency" at home and abroad. We agree. Commitments must be limited to those that can be honored and afforded.

In an era of mega-budget deficits, the United States has no choice but to tailor its pursuits. Unless hawkish sorts are willing to raise taxes, which they aren't, no longer can they proclaim the U.S. has vital interests in every corner of the globe.

SELECTIVE ENGAGEMENT

In the new era, the American public is likely to only back those large expenditures and prolonged commitments that directly affect vital national inter-

ests. Doesn't that explain the broad support for President Bush's Persian Gulf policies, where he has meshed our geopolitical interests with a concern for sovereign integrity?

But a strategy of "selective engagement" must also have the right set of military tools. The U.S. response to Saddam Hussein's invasion of Kuwait indicates that our military forces are configured to fight a traditional war in Central Europe. Heavy armored divisions are just not suited to being quickly transported to trouble spots around the world.

By contrast, the Rapid Deployment Force, which was created after the 1979 Iranian Revolution, is more suited to such missions. Unfortunately, the RDF now consists of only 20,000 soldiers, and military leaders have been resistant to much change. The military refers to small-scale RDF operations as "low-intensity conflict," but defense leaders have resisted preparing for LIC combat scenarios.

Some congressional leaders have not helped our defense posture either, particularly those who seem to want to procure the most technologically advanced or sexiest weapon without regard to its military utility. Representative Gerald Solomon took to the floor of the House after the Iraqi invasion to talk about the need to purchase multiple B-2 bomber and rail garrison M-X missiles. Hardly is that sort of posturing necessary.

What the military *really* needs is improved air- and sea-lift capabilities to move special forces into flash points. Some heavy armored divisions must also be reconfigured into light infantry formations. And high-tech advanced conventional weapons, such as "smart weapons," will be less useful than motorized artillery and a new fixed-wing ground support aircraft.

ECONOMIC TOOLS

A policy of selective engagement must equally employ the right economic tools. Specifically, we must focus on which countries receive priority treatment for foreign aid and how that aid is structured. For instance, why aren't we putting greater emphasis on consolidating the new democratic regimes in Central Europe?

In 1991, for example, the United States will provide only \$300 million to the six Central European states — Hungary, Czechoslovakia, Poland, Bulgaria, Yugoslavia and Romania. That is a mistake because the United States needs a stronger economic presence in Central Europe. The multipolar European "house" may be much less stable than the bipolar Cold War Europe. Already traditional nationalist and ethnic animosities are reemerging.

Moreover, we should reconsider our foreign aid strategy for Central America. If we were willing to spend a decade trying to overthrow the Sandinistas in Nicaragua, why aren't we providing more incentives for U.S. public and private aid to assist Violetta Chamorro in her attempt to rebuild Nicaragua?

By contrast, Pakistan, a Cold War ally that recently dissolved its democratically elected government and has been

caught stealing nuclear weapons technology from the U.S., will receive \$565 million. Doesn't it seem logical that our foreign aid should reward countries which move away from authoritarianism, not towards it?

Similarly, the U.S. should begin holding out inducements to the Soviet Union to continue moving towards a market economy. Don't be confused. We are not advocating sinking money into the command-style Soviet state. Rather, the U.S. government and private companies should seek opportunities to assist the Soviet Union's emerging private or cooperative economic sector. Soviet entrepreneurs who want to challenge state monopolies on production will need additional capital to compete.

SHARING OF RESPONSIBILITIES

A companion to the strategy of selective engagement is the sharing of security responsibilities among western allies. To some degree, a new multilateralism is occurring. Germany has taken a lead on developing Eastern Europe and President Bush has assembled an impressive array of western and Arab opposition to Iraq's Saddam Hussein. Japan has also agreed to economically assist Egypt during the latter nation's involvement in the Persian Gulf ordeal.

We must focus on which countries receive priority treatment for foreign aid and how that aid is structured.

Yet more must be done to share international responsibilities. Steven Klinsky recently proposed in these pages the creation of a Free World Fund which would provide an outlet for joint ventures in medicine, space technology, defense and economic development, among other pursuits. Such ideas are worth developing.

The Bush administration is to be commended in keeping America a key player in the post-Cold War world. The fact that all eyes immediately turned towards us to stave off Saddam Hussein is testimony to this fact.

But as the threat of bipolar confrontation diminishes, a multipolar world will emerge. The United States must craft a foreign policy which reflects this development. Sharing responsibility and selecting international pursuits wisely will put us on the path toward that new construct. ■

— Stephen Messinger

We're Moving!

After Six Years At 6 Library Court, The Ripon Society Will Be In Its New Offices On September 10.

Please Mark Down Our New Address (The Telephone Number Will Remain The Same, 202-546-1292):

**THE RIPON SOCIETY
709 SECOND STREET NE
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The New Paradigm

by James P. Pinkerton

Editor's Note: *James Pinkerton's "New Paradigm" speech, which he delivered to the Reason Foundation in Los Angeles last Spring, is an attempt to provide a framework for the Bush administration's domestic agenda. As such, Pinkerton's speech has received much discussion within Washington's policy community, especially among conservative leaders. In reprinting an excerpt of this address, the Forum would like to hear your replies. Please address all correspondence to: Ripon Forum, 709 Second Street N.E., Suite 100, Washington, D.C. 20002.*

Some have said that the war of ideas is over, that we have reached the end of history. At one level that may be true. But in the streets of Watts, in the factories of the heartland, and especially the corridors of Washington, there is work to be done, history to be made. This is not the end of anything: this is the beginning of the New Paradigm.

The president has spoken of the "New Breeze" of peace and freedom. The "New Breeze" is a metaphor for the learning process that is teaching all of us what George Bush said nearly three years ago: "We know what works. Freedom works."

And we have learned what does not work. After decades of collectivism and concentration camps, we have seen the truth about an ideology whose central premise is a war against human market exchange. Socialism doesn't work, no matter what name it goes by: National Socialism, Stalinism, Sandinismo, Apartheid — all are synonyms for tyranny.

I'm laboring the obvious here only because we must realize that the same dream of centralized socialized bureaucracies has failed here at home in

James P. Pinkerton is deputy assistant to President Bush for policy planning.

its lesser manifestations. As in the Third World, the biggest losers under what I call the Old Paradigm have been poor people. The Great Society has been a continuing, if well-intentioned, failure, because it falsely assumes that experts, wise bureaucrats in league with university professors and politicians, can somehow administer supply and demand, prosperity and equality, from an office building far away.

Having said all that, do I dismiss all attempts to solve social problems? No. I'm here to say just the opposite. Precisely because we care about helping people we seek new ideas. And that has led us to the New Paradigm. The New Paradigm is most compelling when it addresses the homelessness, inner-city education, the underclass and equal opportunity for all.

Instead of blind dedication to monolithic centralized government, the New Paradigm emphasizes flexibility and results.

The New Paradigm is an attempt to light a candle of hope and optimism amid the cynicism and fatalism that pervade today's Washington. People of good will can seize this opportunity. We can restructure government. We can move away from insensitive monopolistic bureaucracies. We can welcome change, harnessing the power of the New Paradigm for decency, compassion and prosperity.

People will not let go of the old, familiar paradigm, no matter how defective, until they can see an alternative paradigm that they are convinced will work better. This is the transition period we are going through — people around the world see that the Old Paradigm is failing. They see glimmers of the New Paradigm. Leaders have a duty to help bring those glimmers into focus.

We don't necessarily need more government, or less government. We need capable government, the Old Paradigm structures have proven themselves utterly incapable of keeping us safe. We need a new structure.

But enough of the Old Paradigm. The New Paradigm has five characteristics:

First, governments are now subject to market forces that they have never been subject to before. The official who tinkers with the economy, who pushes the wrong button, will see the flow of capital and investment re-route itself instantaneously across nations and continents and oceans.

I've used this metaphor of energy and electricity to describe the power of the New Paradigm. Here, it is not just a metaphor, it's a literal description. Prices are signals. And nowadays, these signals are carried at the speed of light. In seconds, the circuits of the international economy can switch in response to new information.

This aspect of the New Paradigm is a function of feedback and the increasing sensitivity of the global market. A self-correcting system leaves little room for the foolish social and economic experiments of the '60s and '70s. If you don't deal with reality, other people will! In this New Paradigm light, President Bush's determination to seek a cut in the tax rate on capital gains seems all the more compelling. He knows that America's greatest economic competitors have little or no capital gains tax.

Second, the New Paradigm is characterized by increasing individual choice. The president's educational program offers a concrete ex-

ample. During the 1980s, real spending per student shot up nearly 30%. Spending in this country is now about \$5,200 for each public school student. Imagine a class of 20 to 25 students. Multiply that by \$5,200. The result is over \$100,000 in expenditures per classroom. If the teacher is getting, on average, \$32,000, where is the rest of the money going? Meanwhile, SAT scores sink and we typically rank in the second decile internationally. In big cities, where students routinely graduate from high school without being able to read their diplomas, spending is often much greater. Instead of pouring money into a leaky structure, the president seeks to change that structure by letting parents choose the public school their children will attend. In a changing world, the schools should change too!

Third, the New Paradigm is characterized by policies that empower people to make choices for themselves. As the president said in Los Angeles last spring, "This is the age of empowerment." Empowerment is the flip side of choice: one side provides options, the other side helps exercise those options. Take the Bush administration's approach to child care: the president offered a tax credit for low-income working parents. He wanted to empower those parents to care for their children in the way that best suits them: at home, with a relative or neighbor, at a church or synagogue-based child care program, or at a day care center.

By contrast, the Old Paradigm method is bureaucracy, one-size-fits-all, whether you like it or not! The Old Paradigm would simultaneously subsidize and regulate, to the exclusion of other alternatives. The Old Paradigm is the ultimate in trickle-down economics! Tax money floods into Washington, irrigating the bureaucratic gardens. This wouldn't be so bad if the runoff did some good. In fact, what seeps back is so poisoned by toxic paperwork that parents and children are worse off.

The Old Paradigm focus on input quality only gets us in deeper. If we want to get out of the mess we're in, we have to focus on qualitative outcomes.

Fourth, the New Paradigm is characterized by decentralization. Authority is dispersing as bureaucracy

is devolving. Stalinist governments in Eastern Europe, stodgy corporations on Park Avenue, sclerotic city halls here at home, socialist ministries in the Third World — all are changing.

What about decentralization here at home? Here, too, centralized bureaucracies have proven unable to translate our wealth and compassion into opportunity and a better life for every American. Public and private bureaucracies have not been able to adjust to the change of the last decade, not to

Empowerment is the flip side of choice: one side provides options, the other side helps exercise these options.

mention the coming decade! Therefore, a new generation must look for new ideas and new approaches to achieve old goals.

Lacking exposure to the New Paradigm, the voters are frustrated by the failures of the Old Paradigm monopolistic bureaucratic government. It does not help when the mandarins of the Old Paradigm scorn them for the views they hold and the candidates they elect. As Bob Samuelson recently wrote in *Newsweek*, Americans are not so much stingy as skeptical. This skepticism — this immunity to bureaucratic baloney is a healthy thing. It is the result of bitter experience, a cumulative learning process.

Accountability and feedback are the essence of the New Paradigm. Instead of blind dedication to monolithic centralized government, the New Paradigm emphasizes flexibility and results. **Achieving those results will require, first, market orientation, second, choice, third, empowerment, and fourth, decentralization.**

I would add that centralized government bureaucracies have a cognate in centralized private bureaucracies. That's why we must fight the natural tendency of Big Government to join with Big Business in a dangerous liaison, the results of which are monopoly, protectionism, and the strangulation of mobility and opportunity.

Fifth, the New Paradigm implies an

emphasis on what works: once we agree on the goals of a decent life for every American, the debate shifts to achieving those goals, as opposed to merely talking about them and spending money. In Old Paradigm New York City, three different bureaucracies had responsibility for building safety. And then there was the tragic fire at the Happy Land disco. Eighty-seven people lost their lives. How many bureaucrats lost their jobs? The point is that in crucial areas of public safety, we don't necessarily need more government, or less government. We need capable government, and the Old Paradigm structures have proven themselves utterly incapable of keeping us safe. Some will say that all we need is another round of piecemeal reform. I say we are buried in pieces. We need a new structure.

President Bush holds office at a time of consensus: everyone wants an educated young generation, a roof over every head, racial and sexual equality, and a clean environment. And yet, we want limits on government power.

Do these two areas of consensus clash? If, for example, you believe that money alone will solve the problems of American schools, if you believe that the best answer to the high cost of raising kids is bureaucratized, monopolized day care, if you believe that the answer to housing the public is public housing, then not only must you believe that our national aspirations are in conflict, you should join the Old Paradigm Society. But be advised, it will take them six-and-a-half years to process your application in triplicate.

When we recognize the broad similarities in human aspirations in the Third, Second, First Worlds, when we shift the focus of public policy to what works, when we judge programs qualitatively not quantitatively, when we expand individual choice, empower the poor and create decentralized, flexible and adaptable institutions, then we make a world where there is no insurmountable conflict between our national goal of caring for our neighbors and enlarging our freedoms by limiting our government.

If this seems a lot to ask, think back to the challenge that Henry V had to overcome on St. Crispin's Day. Planning a victory against a foe that outnumbered him five to one, he said "All things are ready, if our minds be so." ■

How to Structure a U.S. Department of the Environment

By Lee L. Verstandig

Since 1970, the Environmental Protection Agency has been mandated as a regulatory agency, yet over the past 20 years a number of environmentalists, legislators, civil servants and public policy makers have recommended expanding the EPA into a Cabinet-level department.

There are numerous international environmental reasons to make such a move, as well as a number of domestic pragmatic reasons. One reason is that, because of the mandate which created EPA, the agency generally undertakes short-term policy issues, most of which focus on the agency's regulatory responsibilities. Yet it is essential that the president, his administration and the Congress have the benefits of long-term environmental policy considerations.

RESTRUCTURING EPA

The best way to achieve such goals, despite the visceral reaction most of us have to creating yet another federal department, is to establish a Cabinet-level Environmental Protection Department. The simplest method would be to restructure the programs and the offices of the existing agency.

Each existing program area, for example, could be run by an assistant secretary. The new department could also set up offices of general counsel, enforcement and compliance, inspector general, administration and research and development.

Several areas warrant special consideration. In the past, the office of congressional and legislative affairs has been extremely small. It now should have a significantly more important

function and be given appropriate resources to coordinate broader policy initiatives with Congress. The congressional office must serve as the "eyes and ears" for the secretary and as the pulse for future policy developments.

During my tenure as acting administrator of the EPA, I reconstituted the office of external affairs, which brought under one umbrella the offices of congressional, legislative, intergovernmental, federal and public affairs. Since that time, this coordinated office has been divided into separate program areas.

Now with the more important role state and local governments play in environmental matters, serious consideration should be given to a separate office of intergovernmental relations. The General Accounting Office recently testified that the "EPA needs to develop more effective working relations with state and local governments, who are to a great extent responsible for carrying out federal environmental programs."

LONG-TERM PLANNING

One of the most important functions a government department performs can be found in the office of policy development. Here long-term planning considerations and policy options are provided. Such foresight will be extraordinarily important in a Department of the Environment. The office must also serve a coordinating function with other departments and agencies within the federal government and the White House.

Two other areas that need to be emphasized in this new department are the office of international activities and business and industry. The current EPA administrator, William Reilly, recognizes the importance of international environmental policy and development and has elevated the status of the senior official in that office to associate administrator for international activities. He has also enlarged the staff. Yet more

needs to be done to make international activities an important aspect, both here and within other departments of the executive branch, Congress and the American business community.

One area of responsibility that has been historically neglected or relegated to a minor staff position within EPA is developing relationships with business and industry. Given the new international competitiveness, and the fact that more of the private sector is asked to participate in environmental partnerships with the public sector, greater attention and organizational function should be given to the department's business and industry relations. Ten years ago, business and industry may have been seen as significant polluter and major violators of environmental regulations. But today most businesses and corporations not only seek to be in compliance with federal regulations, they also are often eager to be active participants in improving the quality of environmental life. In the future, this involvement will require closer and more active coordinating with the federal government.

It may now also be time to integrate some other programmatic offices within the executive branch into a new Department of the Environment. For example, the National Oceanic and Atmospheric Administration and several offices within the Department of Interior could be folded into the new Department of the Environment.

The well-being of our nation now requires that the U.S. government establish a proper and effective departmental structure for the environment. The regulatory functions of these and related issues can no longer be adequately handled in the current situation and by the current agency structure. We need long-range public policy planning and a departmental structure which will better serve the president, the Congress, and the nation. A Department of the Environment would provide just that. ■

Lee L. Verstandig is former acting administrator of the EPA and a former administrative assistant to Senator John Chafee.

Testing the Social Contract

by Arthur George

The question of whether or not government works, which **TIME** Magazine first raised last year, is receiving a thorough review this year. The attempt by the White House and Congress to reach a budget compromise will say much about the national government's ability to cope with larger domestic issues.

In the meantime, the best reply to the question of whether government functions is that the holiday of the electorate is over. In 1985 Senator Daniel Patrick Moynihan said: "...the electorate is on a mental holiday, which will end abruptly and brutally. Let that be. The United States is enjoying a moment of social peace; we deserve it and ought indeed to enjoy it."

POTENTIAL UNREST

The day of rest may be over. In fact, we could be entering a new period of social upheaval which could challenge the major political parties to reassert their ideological principles.

Consider the frustration over higher taxes, the S&L crisis, a shrinking standard of living, the fact that men and women are working longer hours for the apparent purpose of standing still, and the perception that the political leadership cannot solve problems. We also seem unable or unwilling to stop the incessant centralization of government.

The reaction is taking recognizable form in new political grassroots movements. The manifestations include recent initiative petitions on auto insurance rates in California; the Citizens for Limited Taxation movement in Massachusetts; a new "private militia" in Milwaukee; the 1989 protests over congressional pay hikes; the lack of compliance with the 1990 census; increased fervor over the abortion debate; and increased concern with Supreme Court nominees.

Arthur George is an attorney and treasurer of the Boston Ripon Society.

The new activism appears to be an expression of a deep-seated frustration with the nation's political and economic direction. The real question is, will there be a breakdown in the social contract that holds the nation together?

To some extent, the problem is a function of the historic tension between the republican ideal of man and the norms of industrialized society. In other words, the void that exists between popular democracy and its emphasis on individual expression and industrialized autocracy and its focus on collective results.

To avoid any potential social instability, we must remember Dragonezzi's maxim as quoted in Thomas Paine's "Common Sense": "Those men would deserve the gratitude of ages, who should discover a mode of government that contained a greater sum of individual happiness, with the least national expense."

EMPOWERMENT

As a result of the information revolution in technology, the general public is now calling for greater autonomy, better education and economic emancipation. The best way to satisfy these desires in the 1990s is to empower individuals to participate in solving larger public problems. The first great progressive Republican president and philosopher, Theodore Roosevelt, contended that a nation's social peace is realized by granting each individual a sense of control over his or her own destiny. "The average man — who can never be the man of large means — should himself own a piece of the world," Roosevelt wrote. "...control is the element which implies equality between men."

George Bush hints at this when he speaks of a new paradigm of individual choice, decentralized decisionmaking and personal empowerment. The president's emphasis on volunteerism, public service and parental activism is also a call to grasp control of one's future.

This aim is distinctly different from the goal of the mainstream of the Democratic Party. Consider the actions of the Massachusetts Democratic Party, the showcase state for the party's policies and philosophy.

Under Michael Dukakis, a state that has traditionally emphasized local control through the "Town Meeting" began to shift greater authority to the state government. Mandated state programs, such as "766" for special needs children, came into vogue. And these programs shifted the burden of funding to the local level without local deliberation or consent.

Under Michael Dukakis, bureaucracy expanded even further into areas previously considered the domain of the private sector. Mandated health insurance and state directed child care are two examples of replacing individual choice with state control.

This "vision" of government, of course, was rejected at the national level in 1988. To some degree, people here in Massachusetts are now beginning to awaken to the notion that local and individual control must be regained.

On a national level, the Republican Party will continue to be successful — while also helping to avert a social dilemma — by standing for social and economic empowerment. This means continuing to promote urban enterprise zones, parental choice, volunteerism, public duty and earned tax credits, among other concepts that promote personal decisionmaking.

In my estimation the GOP has an opportunity to reawaken the classic republican ideal and to reinvigorate the democratic essence of our original social contract. If the Republican Party remains the champion of the common man in this period of new social unrest, it will be able to lead the charge. The Republican Party must continue the progressive legacy of leadership expressed by Theodore Roosevelt at the turn of this century, which was to be "the conservative leader of the radicalism" of our time. ■

House and Senate Leaders Respond to Education

Among the key domestic questions President Bush faces, and an issue he claims great personal interest in, is how does America improve its educational standing? The answer to that question, particularly as it affects disadvantaged communities, will say much about the nation's future.

In an attempt to get specific answers as to how America improves its educational system, the **Ripon Forum** recently posed a question to four members of Congress, each of whom have expertise in education. The question we asked is: "With an educational 'skills gap' growing, and the distinctions between classes becoming more pronounced, what action can be taken to improve schools serving disadvantaged populations?"

The replies to this question are printed below. Answers are presented by Senator Thad Cochran, R-Ms., Senate Appropriations Subcommittee on Education; Senator James Jeffords, R-Vt., Senate Labor and Human Resources Subcommittee on Education, Arts and Humanities; Representative Paul Henry, R-Mi., House Education and Labor Subcommittee on Postsecondary Education; and Representative Sherwood Boehlert, R-N.Y., House Science, Space and Technology Subcommittee on Science, Research and Technology.

Representative Paul Henry: For too long the education reform movement has focused almost exclusively on the "inputs" presumed necessary for a quality education rather than the "outputs" which point to having secured such an education. Education standards of comparison have been based on: revenue inputs, class offering inputs, teacher-ratio inputs, teacher-training inputs, etc. When inputs have been deemed deficient, we have funded making them whole. For too long, the focus has been on process rather than end product.

It is as if we were told to buy a Chevy



Representative Paul Henry

instead of a Honda because General Motors has greater "inputs." Instead, we should be making the choice on the basis of the end product. That is why the issues of parental choice and increased market-accountability in education are increasingly viewed as central to the education reform debate.



Representative Sherwood Boehlert

Representative Sherwood Boehlert: We have done plenty of talking about education. We all can recite the depressing statistics about student performance and teacher preparation, especially in mathematics and science. We can enumerate the important factors influencing education that are beyond the federal government's control. But with

H.R. 996, we at last can do something more. We can take some affirmative steps to improve math and science education in this country and to attract more students to those fields.

H.R. 996 will provide a two-year award of \$7,500 a year for juniors and seniors studying science, math and engineering. To receive the award students must agree to teach in an elementary or secondary school for two years in return for each year they receive the aid.

The legislation also contains a plan to encourage top students to pursue careers in science. The bill offers a two-year award of up to \$7,500 a year (depending on a match from the college) for juniors and seniors who agree to pursue science, math or engineering as either a career or in graduate school. The measure also includes a four-year scholarship of \$5,000 a year for entering freshman, who would have to continue to study these subjects through college or repay the money. And the bill stipulates that one male and one female would be chosen from each congressional district.

Senator Thad Cochran: President Bush has said, "Education can be our most powerful economic program, our most important trade program, our most effective urban program, our best program for producing jobs and bringing people out of poverty."

I believe this. Education holds the key to our country's future. If we fail to provide quality education, we risk not only the lives of our children but also our nation's leadership in an increasingly competitive world.

State and local education reforms over the past decade have particularly begun to show results. Many states have successfully experimented with innovative approaches to improve the quality of education. Alternative certification for individuals lacking traditional teaching certificates has strengthened instruction

in several states by allowing individuals with special expertise to come into the classroom. Educational choice has worked in some communities. Rewards for the best schools, best teachers and schools showing the most progress are producing results. Many school districts have discovered new ways to get parents involved in their children's education. The latest trend among states is to require minimum scores on competency exams for graduating students.



Senator Thad Cochran

Education, of course, is primarily a responsibility of state and local governments and private agencies and should remain so. The bulk of funding comes from those sources, and educational programs are tailored to reflect the goals of parents and community leaders. There is, however, a role for the federal government in education. Federal policy should target resources in a manner that allows states and school districts on tight budgets to experiment with new approaches, develop partnerships with business and provide incentives to recruit the brightest college graduates and to retain our best teachers. Another primary federal role should be the dissemination of information regarding practices that have worked in schools around the nation.

Federal resources should be targeted to upgrade educational programs for disadvantaged students, with emphasis on poor communities with high rates of unemployment, school dropouts, and teen pregnancies, localities which lack the tax base to generate sufficient revenue to offer quality education. Federal dollars should be used to "equalize" the quality gap among states by fostering experimental approaches for involving parents, strengthening teacher effectiveness and developing

the best basic skills foundation for disadvantaged students.

The Chapter 1 program is a good example of what has worked to overcoming learning problems among elementary school children. Federal money is targeted to school districts with the greatest percentage of people living in poverty to allow schools to offer remedial reading, mathematics and science classes as early as preschool. In a similar vein, a provision was added at my request to the vocational education bill to authorize grants to states to improve and expand vocational programs in poor communities. Since vocational education offers job opportunities and self reliance, I believe it is appropriate to funnel federal funds to these areas to help break the cycle of low job potential or welfare dependency.

Another provision I particularly endorse provides state and local school districts with resources to develop "2 plus 2" technical preparation curricula. Tech-prep programs couple the last two years of high school with the first two years of college; the result is a technical degree. The programs are developed in conjunction with local business and must reflect regional occupational shortages.

As a member of the Education Subcommittee, I have examined student trends and the needs of business and industry, and I am convinced that if we are to produce young people equipped to ensure our nation's competitiveness in the years ahead, we must give states and localities the flexibility to initiate education reforms, to focus federal dollars to serve needy students and to encourage innovative approaches to parental involvement and the recruitment and retention of good teachers.

Senator James Jeffords: The problem of attracting and keeping skilled teachers in disadvantaged schools has continued to be a stumbling block to closing the skills gap and providing quality education. In my home state, the Vermont Mentor Program successfully provides ongoing teacher training in the classroom, as well as infusion of skilled professionals from the community who serve as extra instructors in vocational programs. Mentor teachers not only serve as advisors to less experienced teachers, but also provide classes for skills improve-

ment and alternate methods of teacher certification. Those already working in business who wish to become teachers can begin their certification through the Mentor program. The Carl D. Perkins Vocational Education Act contains an amendment I offered to encourage Mentor programs nationwide. Grants will be made on a competitive basis to institutions of higher education which offer comprehensive programs in teacher preparation.



Senator James Jeffords

As Senator Cochran states elsewhere, the Perkins bill establishes a "tech-prep" program to develop consortia linking local education agencies or area vocational centers with community colleges or post-secondary vocational technical schools to offer a two-year degree or apprenticeship program. These partnerships provide a degree or certificate program in a condensed time frame to encourage students to remain in school. Greater skills will be required to remain competitive and vocational training should be geared to handle such training, while at the same time encouraging a better-educated workforce.

WHAT'S AHEAD IN THE RIPON FORUM

- + Reports from Eastern Europe
- + The 1990 Elections
- + Interviews and Profiles

New Goals for the National Endowment for the Arts

by Steve Gunderson

In ancient Greece, from which our young nation has borrowed a number of good ideas, the fine arts were presided over by the Muses, keepers of Greek cultural and artistic heritage. Perhaps borrowing that notion as well, Americans can look with pride at the nurturing role our government has played in the arts.

The original NEA mission remains unchanged after 25 years. But the arts in America have changed dramatically during that time.

Congress instituted that role in 1965 through creation of the National Endowment for the Arts, under the National Endowment of the Arts and Humanities. For 25 years, the endowment's mission of fostering appreciation and financial support for the arts wove a strong and burgeoning web across the nation. That web, now a solid art infrastructure, is a testament both to the NEA and to our nation's tendency to pursue high ideals.

But the NEA, like America, has fully matured and faces all the challenges and opportunities of a new decade. After 25 years and a successfully completed mission, it is now time to set new goals. Why? Because the American public is demanding closer scrutiny of how tax dollars are spent. Quite simply, middle-America will not sit still while scarce tax dollars fund "art" which would never be allowed in middle-American homes. Just as the role of the Muses died

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after the fall of Greek civilization, so must the NEA heed the warning from a cultural backlash gathering in our society.

The controversy raging around the NEA provides us with a tremendous opportunity to reassess the federal role in the arts. The original NEA mission, to build broad support for the arts, develop talent, enhance availability, preserve cultural legacy and widen private support, remains unchanged after 25 years. But the arts in America have changed dramatically during that time.

In 1965, the NEA was funded at \$2.9 million to support just five state arts councils nationwide, whose contributions to the arts amounted to \$2.7 million. Private funding for the arts was nominal. Today the NEA spends \$170 million to help 56 states' arts councils and over 600 local arts agencies. NEA grants totalling \$119 million have leveraged \$1.36 billion in private funding. Overall, private funding for the arts in 1988 was \$6.8 billion. The overwhelming majority in Congress have drawn the conclusions that, first, the NEA has been successful; second, it has accomplished its goals.

Now, Congress has accepted the fact that to save the NEA we must modernize it to again reflect America's high ideals. Some House Republicans will offer a package to do just that. It will redirect the agency on a course of public stewardship for the arts, while paring back the impression that the NEA exists only for artists.

Much of that impression results from the fact that most NEA funds go to established art communities. Of the total \$170 million NEA budget, \$40 million goes to New York. True, the money goes where the art is, but that was never the NEA mandate. If the agency is to fulfill its mission of expanding access to the arts, funds should also go where art is not. Under the new NEA, funds would be more equitably distributed by doubling the basic state grant to each state

and targeting an additional 20% of funds to programs in inner cities and rural areas.

This shift would leave roughly 40% of the NEA budget in Washington, as opposed to 80% now. The role would focus on making grants to America's art institutions recognized as having national or international significance — principally, those which receive grants over \$50,000. All other grants would be made by the state and regional art agencies to maintain existing funding levels to all programs.

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Many of the NEA programs have simply evolved over the years, outgrowing the reach of the original agency charter. Where those programs have been successful and continue to meet identifiable goals, they will be given a more solid foundation in the act. Where programs have strayed beyond their purpose, they will be restructured. For example, the Expansion Arts program, designed to assist emerging art institutions to their feet, has lulled too many into a state of dependency. The programs will be replaced by a new program to promote institutional excellence, providing artistic, programmatic and managerial assistance to new institutions which serve local arts. The institutions will be given all the assistance necessary to get off the public dole within five years, and then will be expected to do so.

Under the Republican proposal, panels will be cut back to a total of 25 and will be limited to judging applications meritorious or not.

Similarly, the review panel structure, provided for in the original act, has proliferated beyond reasonable bounds. With over 115 panels, subpanels and sub-subpanels, the original balance between the panels and the NEA Council has tilted. Council members, who meet less and less each year, no longer review every project. In the vacuum, panel recommendations have become *ipso facto* the final word. The NEA chairman has only reversed panel funding recommendations 35 times (of 33,700 recommendations) in 25 years. The Council advised only half those vetoes. This begs the question of who really spends public art funds, and raises interesting constitutional questions.

Accountability must be restored to the process. Panel members are neither civil servants nor appointees. In effect, they are accountable to no one, though their loyalties are firmly grounded in the art communities they serve. Under the Republican proposal, panels will be cut back to a total of 25 and will be limited to judging applications as meritorious or not. That will leave funding decisions to the only body accountable to the public trust — the Council. The chairman will be prevented from approving any application without recommendation from the Council, though he will retain veto power over all applications. Finally, panels will be open to the public, will maintain a 50% turnover rate annually, and will include at least one knowledgeable non-artist. Collectively, these changes will help the NEA in its mandate to broaden support for the arts.

The application process, which has also grown into a bureaucratic maze, will be simplified. Now, too many artists familiar with the process have become "welfare queens," picking and choosing among a myriad of funding spigots. Under the new plan, artists and institutions may apply only for one grant in each of two categories, general operations or challenge grants. All ex-

isting grant categories will be absorbed into one of these new categories, with most program areas maintained.

Finally, artists themselves will have new responsibilities. It is unreasonable not to expect middle America to demand guarantees for the funds they expend. No other agency writes out checks without contracts with the recipients. The new contracts with artists will require interim reports on progress which will be tied to multiple funding disbursements. Disbursements will be delivered as described. This way, publicly financed art may continue to challenge, to pry and even to shock. But it will no longer result in unpleasant surprises for those who pay for it.

It is unreasonable not to expect middle America to demand guarantees for the funds they expend. No other agency writes out checks without contracts with the recipients.

Though anathema to artists, bottom line to their taxpaying benefactors is assurance that funded works not be pornographic or insensitive to cultural, ethnic or religious culture. The new NEA will not escape making such assurances to Congress and the American people. By this measure, we should appreciate the huge difference between public censorship and refusal of public sponsorship. Before claiming these new measures amount to the former, we should also realize that fewer than half of the thousands of applicants to the NEA each year are accepted. Obviously, some judgment criteria already exists.

The NEA will continue to play a vital role for the arts in America. But just as a few toilet seats and screw drivers forced reform in the Pentagon, so too have a few works indicated need for reform of the NEA. Now we must do what is necessary to save the agency, not deny problems exist. Only in this way can the NEA remain as the Muses of our society. ■

Ripon Society Policy Calendar

On Tuesday, July 31 the Ripon Society presented Issues '90.

The conference was held at the United Methodist Building, and speakers and topics included:

Introduction: Congressman William Clinger, chairman, the Ripon Society

The Clean Air Bill: Who's Picking Up The Tab?

An in-depth look at the costs and implications of the most recent piece of environmental legislation.

Speakers:

—Jeff Clark, Office of Policy Analysis and Review in the Environmental Protection Agency's Office of Air and Radiation;
—William Faye, director, Clean Air Working Group;
—Richard Ayres, attorney, Natural Resources Defense Council.

The Changing Face of Central Europe.

An examination of the political and economic changes occurring in the former Eastern Bloc countries.

Speakers:

—Congressman Jim Leach, House Foreign Affairs Committee, former chairman, the Ripon Society;
—Milos Chrobok, deputy chief mission, Embassy of Czechoslovakia.

Luncheon Address:

Kevin Phillips, author of "Politics of the Rich and Poor: Wealth and the American Electorate in the Reagan Aftermath"

Art and Society: Reauthorizing the NEA

By Alfred W. Tate

The Academy Award winning movie "Driving Miss Daisy" depicts the flowering of a friendship that grows into an intimacy few human relationships achieve. It is a wonderfully moving story. Judged against the community standards reflected in the policies of the country clubs where this nation's most prestigious golf tournaments are held, it is also obscene: the relationship is between a black man and a white woman.

And, you guessed it, the original production of the Alfred Uhry play from which the movie was made was underwritten by a grant from the National Endowment for the Arts.

Calling "Driving Miss Daisy" obscene is absurd, but supporters of the NEA have proven so inept that it is unlikely they could defend the Endowment successfully from even so outlandish a charge. Some, most notably its self-appointed spokesman Joseph Papp, have responded to criticism of the NEA with supercilious outrage that any among the great unwashed would dare to question the use to which artists put taxpayers' money. Others undermine their cause by feeling they must, in the name of protecting freedom of expression, defend the patently execrable.

The efforts of NEA Chairman John Frohnmayer have proven particularly counterproductive. When the battle was first joined, he offered convoluted explanations of how public funds were disbursed by the Endowment. These were unconvincing as proof the NEA did not support particular controversial projects and are ultimately beside the point. More recently, he appears to have abandoned the field entirely and acceded to prior censorship of NEA projects.

Alfred W. Tate is a member of the Ripon Forum editorial board.

Critics of the Endowment have been far more effective in making their case. They begin with the obvious: in our system it is we, through our elected representatives, who determine how society's resources are to be spent. They then simply point to projects financed by the NEA and fairly ask us if this is how we want the taxes wrung from the sweat of our collective brows expended.

Certainly the demagogues have had their day. Some have passed around "dirty pictures" with gleeful outrage. Others, more troubling, have appealed to the deep strain of anti-intellectualism that runs through our national life, as well as to our biases regarding stereotypic "bohemian" artists and to our innate prejudices against those who are different from ourselves.

THE DEFINITION OF ART

Neither side has given Americans credit for being able to benefit from an airing of the basic issues the controversy has raised. What is "art" and what is its function in society? In the current hubbub, these deceptively simple questions have hardly been raised, much less systematically addressed. Yet, assuming continued federal involvement in the arts, any resolution to the furor over the NEA will be based on assumptions regarding how these questions are best answered. If the outcome is to be widely accepted, these assumptions need to be made explicit and examined.

Here, too, the advocates of reform have been more forthright. At least their answers to these questions, if only implied in what they say, are relatively clear. For them, art is essentially what might be called "iconic," that is, the representation in symbolic form of that which we as individuals and as a society value. From this perspective, artistic merit is relatively easy to measure and consists in the clarity with which a work expresses the value or values it is intended to symbolize.

Corresponding to this view of art is an understanding of our society as essentially stable, established upon and ordered by a set of principles and ideals that provide a foundation and guide for meeting any challenge or opportunity the future may hold. Thus "good" art functions to teach us these principles and ideals, to inspire us to realize them in our lives and to comfort us when we do not.

We need both iconic and prophetic art, art that celebrates what we cherish as well as art that shatters our idols.

Although the champions of the NEA have not deigned to offer it, there is a very different set of assumptions regarding art and society that deserves consideration and might even bolster their case. This is the view of art as primarily "prophetic" in the Old Testament connotation, that is, the symbolic calling into question of accepted values and their implicit replacement by new ones. Art here is the expression of conflict and its, at least potential, resolution. From this perspective, in what artistic merit consists is inherently harder to measure, but it is generally spoken of in terms of a work's ability to make the conflict real to the observer and to involve him or her as a participant in the movement toward the future.

Attendant with this view of art is an understanding of our society as dominated by change and even conflict. From this perspective, the meaning of the past is always problematic and the way into the future is unclear. Here, "good" art functions to both challenge and project a vision of the future.

Supporters of the NEA are confusing censure — the free expression of moral disapproval which is the cherished prerogative of every American — with censorship — an abhorrent practice forbidden by the First Amendment.

The question of the relation of art and society will be debated as long as humans possess an imagination, and both of these broad perspectives are susceptible to being trivialized. It is easy to claim that critics of the NEA reduce art to mere illustration and ornamentation, that for them it is nothing more than interior decoration for middle-class homes. It is also easy to see that much of what is passed off as "prophetic art" — whether it is the recording of the rap group 2 Live Crew or photos of crucifixes in urine — is intended only to shock and titillate while enriching its perpetrators.

It is also easy to caricature the views of society corresponding to these definitions of art. The United States is neither a realized utopia nor a decadent stinkhole. If, to cite only one example of the problems we face, racism is endemic in America, our hope of overcoming the threat it poses to the fabric of our society resides in both its uncompromising exposure and in the genuine celebration of the ideal of the equality of all embedded in our country's past.

We need, in other words, both iconic and prophetic art, art that celebrates what we cherish as well as art that shatters our idols.

REFORMS

Reform proposals would take three related steps regarding the Endowment: redirect up to half of presently federally-allocated funding to the control of state and local entities, review the review panel structure of the NEA; and institute a contractual system for guaranteeing the nature of projects underwritten. If accomplished, however, these changes would make the NEA a very different institution and our society the poorer as a result.

By diminishing Washington's control over the ways in which federal funds for the arts are spent, the proposal would make accounting for these expenditures more difficult at a time when the opposite is being demanded. Such a change would also result in an overall reduction of support for the arts by short-circuiting the matching mechanism through which in 1989, for example, \$119 million of federal money given in Endowment grants generated \$1.36 billion of state, local and private money for projects.

Further, by effectively reducing the support given to established institutions in artistic centers like New York and Boston, this change would harm the very cause it is intended to promote: the expansion of access to the arts for the majority of Americans who live outside these areas. The mounting of a tour of the Dance Theatre of Harlem or the production of PBS broadcasting of a Boston Symphony Orchestra concert are too complex and expensive for the limited resources of a state's arts organization to undertake. If their gifts are to be enjoyed by dispersed audiences, then the money must go to these entities themselves.

Artistic creativity requires a complex mix of talent, technique, discipline and inspiration, and artistic achievement demands the nurturing of this mix through a lengthy preparation of education, training and apprenticeship. What this means in practice is that artists tend to go to such centers as New York, Chicago and Los Angeles to undergo this preparation and federal money sent there is not necessarily misspent.

The NEA currently supports projects as varied as choreography and dance productions, poetry writing and publication, videotape and film production, museum conservation and exhibition, music composition and performance, drama, painting and sculpture. Reform of the review panel structure, and there is agreement that changes are called for, should retain the needed expertise to evaluate artist-applicants' potential to produce quality work in all these and other mediums. Reducing the tenure on panels from the present three to two years and including in their membership informed layperson, however, are both steps worth consideration.

On the ultimate issue, that of whether and if so what conditions ought to be im-

posed on grant recipients regarding the nature of their work, supporters of the NEA have painted themselves into a corner. They have done so by confusing censure — the free expression of moral disapproval which is the cherished prerogative of every American — with censorship — an abhorrent practice forbidden by the First Amendment. By refusing to brook the least criticism of any work created under the aegis of the Endowment, its defenders discover themselves inexorably forced to take the ludicrous position that what the government allows it is somehow obligated to support. The argument is fallacious on its face.

The claim friends of federal funding for the arts should be making is that there is a fundamental difference between commissioning a work of art and ordering a computer.

The claim friends of federal funding for the arts should be making is that there is a fundamental difference between commissioning a work of art and ordering a computer. Works of art cannot be built to specification. Whatever else it may be, what we call art is the outcome of a process in which human imagination expresses its intention for a subject to an audience in a particular medium. Even those of us whose imaginative efforts have consisted merely of writing a letter to a friend or telling a story to a child have experienced how this works. We find we do not really know what we want or need to say until we write it or say it.

Each of these elements — imagination, subject, audience and medium — acting together will condition the result. But for the mysterious and perhaps ineffable thing called art to happen, this conditioning must take place within the creative process. No matter how benign the intent, it cannot be imposed prior to the commencement of the process without turning the result into something art is not, propaganda. ■

On Rights and Opportunity

By Donald T. Bliss, Jr.

As a voice of progressive Republicans, the Ripon Society has long eschewed single-issue litmus tests or ideological credos. Instead Riponers pride themselves on being pragmatists, problem-solvers. We believe in lively debate; we espouse a party that's big enough to embrace different points of view—a party that is inclusive rather than exclusive, a party that reaches out to new ideas and new members.

In that spirit, let me suggest a few issues on the national agenda on which Ripon should be heard.

The Civil Rights Act of 1990

Civil rights legislation has now passed both the House and Senate. A total of 21 changes have been made to the legislation to accommodate concerns raised by the Bush administration about quotas, unreasonable barriers to conciliation and settlement, and due process. While remaining differences between the administration and Congress are minimal, there still is the opportunity for additional compromise during the House-Senate conference. Legislation is urgently needed to overturn five 1989 Supreme Court decisions that seriously interfere with enforcement of federal civil rights laws and extend certain remedies to women. This is not a "quotas" bill; this is a bill that will restore the *status quo ante 1989*. The president rightfully can claim credit for improvements in the legislation that include an express "anti-quota" disclaimer, the addition of a more flexible "business necessity" defense, and a specific statement that "mere racial imbalance" cannot establish a *prima facie* case of discrimination. The administration should now work with the con-

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ferrees to achieve the best possible bill and then the president should sign it.

The Souter Nomination

President Bush is to be congratulated for foregoing a single-issue litmus test approach to Supreme Court nominations. In nominating David Souter, the president has properly stressed intellect, scholarship, demonstrated judicial experience and temperament, and a healthy respect for judicial restraint in a democratic society.

Justice Brennan's shoes will be hard to fill. He is one of the truly great figures of American history, who has eloquently advanced the nation's constitutional commitment to individual rights and liberties in ways that few anticipated when President Eisenhower nominated him in 1956. While Riponers, perhaps, would have preferred a nominee with a more visible record of commitment to civil rights and freedom of choice, Justice Souter would bring to the Court the intellect, scholarly approach and commitment to rational analysis that may well rise to the occasion as he addresses the complex and divisive issues that are presented to the Supreme Court. His experience on the New Hampshire Supreme Court is also a plus. Justice Brennan previously served on the New Jersey State Supreme Court and, in a 1986 address, he cited the New Hampshire Supreme Court as a leader in interpreting state constitutions in some respects "as more protective of individual rights than the parallel provisions of the United States Constitution."

We hope that Judge Souter's respect for judicial tradition and precedent would lead him to reject political pressure to overrule *Roe v. Wade*. We note, for example, that he has adhered strictly to the doctrine of *stare decisis*. In *State v. Judkins*, Judge Souter wrote in a concurring opinion that he was compelled to follow the precedent of the State Supreme Court, even though he personally disagreed with the decision.

Domestic Policy

At a time of unprecedented international change, we are fortunate to have a president well-versed in international diplomacy. The president has responded with great skill to the changes in the Soviet Union and Eastern Europe, as well as to the Middle East crisis. Domestic policy, however, cannot be neglected. There is a cancer at work in our society that threatens to perpetuate a permanent underclass, to foreclose the American dream of equal opportunity for a significant part of our population, and to erode our international competitiveness and ability to sustain economic growth. Strong federal leadership and innovative policy initiatives are required to create incentives that will strengthen the nation's educational system, encourage caring, cohesive community support for the needy and provide universal access to preventive health care. The Ripon Society and other organizations must also come up with solutions to match the president's aim of decentralized decisionmaking and active private involvement.

Finally, Republicans used to care deeply about fiscal responsibility. The president's budget summary initiative thus must be applauded. It took political courage to put revenue enhancements on the table along with entitlement reform and spending controls. The Ripon Society has been advocating this position for some time.

Responsible leadership is essential now to ensure that measured deficit reductions do not inflame the recessionary pressures already at work. The cost of the Middle East crisis and the slowdown in the economy make even more urgent the need for responsible bipartisan leadership in coming to grips with the deficit. We must have enough faith in the American electorate to presume that, for the party in power, good government equates with good politics. ■

Three Proposals For The Budget Deficit

By Steven B. Klinsky

As this piece goes to press, the military crisis of Iraq has replaced the fiscal crisis of the deficit in the forefront of the nation's political thoughts. Still, with the structural budget deficit now estimated at \$250 billion to \$300 billion per year, three modest proposals for fighting the fiscal deficit can be suggested. None are solutions to the deficit problem, but each might be a useful step in the right direction.

ORGANIZE ALLIED COST SHARING—Ripon has for some time now argued for the creation of better mechanisms to share costs among allies. The current Iraq crisis puts this need in sharp focus.

Secure access to Middle Eastern oil and organized resistance to Saddam Hussein are of great importance to all the allies. The United States is best suited to lead the military efforts required to achieve these objectives while other allies, such as Japan and West Germany, are restrained by circumstance or their own constitutions from making more than a symbolic contribution of manpower. Still, the funding of defense effort (and, properly, the funding of the maintenance of military power between such inevitable crises) can and should be allocated in a much fairer way, based on the relative sizes of the allied economies.

The incremental cost of maintaining the current U.S. military presence in the Gulf is an estimated \$4 billion per year. The cost of maintaining a U.S. peacetime defense establishment at sufficient strength to rise up for situations such as the Iraq invasion is almost \$300 billion per year. The estimated cost of fighting an Iraqi war, should it come to that, is an estimated \$1 billion per day.

Steven B. Klinsky is a member of the Ripon Forum editorial board.

Our richest allies, Germany and Japan, are now locked in internal debates over the world role they should play. As a result of the United States' benign foreign policy since World War II, both nations have a disparity between their economic power and their military power that is unique in human history.

The establishment of a Free World Fund, the United Nations or some analogous mechanism could give our allies and ourselves an honorable and workable way to bridge this gap. A Fund would seek support among allied governments for a particular common strategy and give each supporting government a voice in forming that strategy. Money would then be raised in relation to each supporting nation's GNP and be used to reimburse the nations which are assigned to execute the common task. Properly constructed, the Fund would be seen as a needed form of voluntary partnership among nations to strengthen the alliance—like the World Bank or the International Monetary Fund—and not as a form of arbitrary imperial taxation. It would preserve the Japanese and German constitutional constraints against militarism and preserve the American military power on which our allies in fact depend. In happier times, it could also be the means to promote other commonly desired allied projects, such as space exploration, global environmentalism and pure scientific research.

RECOGNIZE THAT CIGARETTE EXCISE TAXES ARE NOT REGRESSIVE—Increased cigarette excise taxes are frequently considered as a revenue measure and then rejected as regressive. It is indisputable that cigarette smokers are disproportionately poor and uneducated (the rich and educated having generally quit). However, the dynamic of the cigarette industry is a special one and excise taxes must be analyzed in that context.

Each year, cigarette unit sales decline in the U.S. by about 2%—3%.

However, each year, with oligopolistic regularity, the cigarette companies sharply increase their profits by raising prices 10%—12% for the poor customers remaining. This level of price increase is chosen as the maximum that a nicotine-addicted customer base will accept.

Tobacco excise taxes, if properly structured, would merely cut into this annual price creep. They would, in effect, substitute a government price increase for the industry's increase and penalize only the cigarette companies, not the poor smokers. To make the point clearer, any new taxes might be limited to set percentage of increase in retail prices each year.

INSTITUTE A VOLUNTARY TAX CHECK OFF PROGRAM AT THE FEDERAL LEVEL—At last count, 38 states and Canada are using "check offs" on their income tax forms that enable taxpayers to donate funds for charitable projects, environmental protection programs and other special purposes. At the federal level, there is no check off opportunity except the limited right to allocate mandatory collection to public campaign financing.

Every American wants to pay as little tax as legally possible. But there are a number of federal programs that are essentially highly popular charities which can be most efficiently administered at the federal level, programs such as aid to emerging democracies, the space program, the national park system, the Head Start program and many others. Based on the states' experience, it is likely that 2%—3% of all taxpayers would contribute \$5—\$10 in excess of their mandatory tax bills towards such causes if a tax check off system was instituted. While collections would likely be small relative to the deficit—probably only \$50 million or so—the dollars would be meaningful in their own terms and an important symbol of citizen support. Such an obvious and simple idea should not be overlooked. ■

THE CHAIRMAN'S CORNER

Education = Our Future

by Bill Clinger

Throughout my 12 years in Congress, and especially in the last few months, I've spoken and written on the importance of improving our education system, on the importance of ensuring that our children are up to the challenges that the '90s and the new century will bring.

I feel strongly that education is the key to America's future and is more important now than in any other period in our history. Since World War II, we've seen unprecedented change in the world, especially in the world economy. Everyday, our economic system brings nations closer together so that the actions of one affects others. The information revolution that allows us to be closely connected has especially elevated the growth of a true global economy and the process will continue, indeed it will escalate.

INTERNATIONAL COMPETITIVENESS

One of the by-products of a global economy is increased competition; it is more necessary to be able to compete around the world in 1990 than in any other period of history. This increased competition means that the best and brightest, those able to generate the most innovative ideas and bring them to market, will be the future economic winners. Those on the cutting edge will be economic leaders and the key to achieving this is a top-notch, well-educated workforce.

When I graduated from high school, a simple diploma was enough to enter the workforce and achieve a good life. Today, a college degree serves that same function. But in the not-too-distant future, higher levels of education will be necessary to compete, and we

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need to ensure that our children will have the opportunity to earn those degrees, that they will be the best educated and the brightest in the world.

That proposition, of course, is going to require considerable effort and creativity on the part of educators and students. Two years ago, for example, a National Assessment of Educational Progress survey found that fewer than 40 percent of Americans are able to interpret a newspaper column. From 1962 to 1980, combined Scholastic Aptitude

The House of Representatives recently took important steps toward education reform by passing two bills that improve our educational system and serve as an action plan.

Test scores fell by 90 points. Twenty-five million adults are now said to be illiterate. And 13 percent of our 17 year-olds are said to be functionally illiterate.

CALL TO ARMS

These kinds of statistics led President Bush and the nation's governors to agree upon a series of goals during last year's educational summit. The aims President Bush has established include: ensuring that every American child starting school be prepared to learn; increasing the U.S. high school graduation rate to 90%; testing all students in the fourth, eighth and twelfth grades for progress in five basic subjects; placing American students first in the world in math and science; adequately training our workers to compete in a global economy; and providing drug-free, disciplined learning environments.

The House of Representatives recently took steps toward educational reform by passing two bills that improve our

educational system and serve as an action plan.

The bills, the Excellence in Education Act and the Dwight D. Eisenhower Math and Science Amendments, both passed the House by wide margins and will enable us to train more teachers and target our resources towards math and science education, an area where we desperately need to improve our performance.

Among the many important provisions are ones that target money to combat illiteracy and authorize \$90 million for financial assistance to college students willing to become teachers. It also creates a National Science Scholars Program to give scholarships to college students who excel in math and science.

The Eisenhower Amendments will provide state-of-the-art curriculum materials so that our teachers will have the tools necessary to teach students about these vital fields. It will also place special emphasis on teacher training in math and science at the elementary and middle school levels.

Some of the broad goals set forth by these bills include preparing all preschool children to learn, increasing the high school graduation to at least 90 percent and becoming the best nation in the world in math and science.

We have many challenges before us to obtain our educational goals and the ability to do so rests with local communities, businesses and individuals as well as the federal government. I'm encouraged by the House's latest actions and hopefully we will continue to work on this crucial problem. Our future depends on it. ■

The Ripon Educational Fund's Mark O. Hatfield Scholarship Is Now Accepting Proposals For Winter 1991.

**For Details, Please Contact:
The Ripon Educational Fund,
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Suite 100
Washington DC 20002**

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on government-owned forest land to preserve their collecting rights from encroachment. Hundreds of additional forest products from gum arabic to rattan to Brazil nuts are collected for sale by those living near the forests. A recent study demonstrated that the market value of the total of these non-wood products may actually be two or three times higher than timber extraction or conversion to ranching. While not only profitable, such activity is also sustainable if managed wisely and care is taken to prevent overextension. Extractives offer an alternative which can both sustain the forest and benefit the people living nearby.

The World Commission on Environment and Development in 1987 defined sustainable development as that which meets present needs without compromising the ability of future generations to meet theirs.

Creative Alternatives—Many projects which successfully address both hunger and forest conservation are not only unique and nonconventional, but highly creative. One which has gained some acclaim is an iguana farming project run by Dagmar Werner in Panama since 1983 and funded by the Smithsonian's Tropical Research Institute. The green iguana has served as a tasty and cheap protein source in Latin America for 7,000 years, dubbed "chicken of the trees" for its poultry-like taste. This project involves captive breeding and raising of the reptiles to release onto farms and into the forest. They are then harvested two or three years later for consumption or sale. Its success reflects not only the importance of allowing locals to participate to project design, but also the need to think creatively about culturally appropriate solutions.

Parks and Reserves—The most obvious solution for preserving biodiversity would be to fence off the world's remaining primary tropical forests from all human contact. But this approach is

not in the best interest of the 250 million people who live in and around these forests, nor in the best interest of mankind as a whole. The creation of parks and reserves which are sensitive to local needs, however, can offer a compromise for those ecosystems which offer particularly diverse or unique species.

Since 1971, UNESCO has sponsored its Man and the Biosphere Programme by granting a designation of "biosphere reserve." Such reserves are biologically important protected areas which combine conservation and sustainable use of natural resources with education and research.

The U.S. State Department has participated in the MAB program since 1974, under the direction of a national committee comprised of representatives from various federal agencies, universities and private sector organizations. U.S. MAB reviews proposals and awards grants for scientific research in its five areas of emphasis. But since the U.S. has not belonged to UNESCO since 1985, it now only sends an observer to the international MAB commission and provides little in the way of financial support for tropical reserves. In January 1985 the Reagan administration promised that in lieu of its UNESCO contribution, \$50 million would be spent on scientific research. But this amount rapidly dwindled by 1987 to a line item in the Foreign Assistance Act of \$2 million. Of this, a meager \$300,000 goes to support the U.S. MAB program.

Debt for Nature Swaps—These arrangements have received much recent publicity as a source of funding for purchase and maintenance of wildlife areas. To this task was added the goal of sustainable development with the passage of the Global Environmental Protection Assistance Act of 1989, which authorized use of U.S. foreign assistance funds to purchase LDC commercial debt. Thomas Lovejoy first presented the concept while working at the World Wildlife Fund in 1984. Since that time, WWF has purchased some \$20 million in debt from Ecuador, Costa Rica, the Philippines, Zambia, and most recently in Madagascar.

Although the amount of debt burden relieved is relatively tiny and these swaps hinge on the banks' willingness to sell LDC debt at a discount, for now

they offer substantial return for the investment and should be capitalized upon while possible.

ACTORS IN SUSTAINABLE DEVELOPMENT

The World Commission on Environment and Development in 1987 defined sustainable development as that which meets present development needs without compromising the ability of future generations to meet theirs. In reality this phrase has become a catch-all with as many meanings as there are meetings on the subject. For LDCs, too often development has been synonymous with industrialization whereby income distribution becomes grossly disparate, while a huge portion of their population lives in abject poverty and hunger without even the most basic social services. If defined in strictly economic terms of profit and growth, sustainable development in the tropics could be conversion of all primary forests to timber plantations. Nations could become "developed" while destroying all their forests and allowing half their children to starve. Sustainable development is certainly not the road which developed nations travelled to industrialization, and even if LDCs commit to it as a goal, it will certainly remain beyond their grasp without significant help from the outside.

International Organizations—Although valuable work is being done by various U.N. organizations in working to stop both hunger and deforestation, political disputes have kept the U.S. from being a major player in most of these projects. The FAO has been important in monitoring deforestation rates and integrating forestry projects into development, although its focus is still mainly on agriculture. But in January the U.S. once again cut its funding for the FAO over its relationship with the Palestine Liberation Organization. And while the State Department's excellent U.S. MAB program focuses on necessary scientific research, it does not deal with funding protection or management of the reserves or development projects. The contributions of many U.N. organizations in hunger and conservation are very important, but these entities are political at best, constantly jeopardizing support for their programs. Where the U.S. decides not

to belong to these organizations, arrangements should be made for bilateral or non-governmental assistance for their valuable projects.

International Development Banks—In the past IDBs have been responsible for funding development projects such as transmigration, dams and logging operations which contributed to deforestation. Gradually, they are not only assessing the environmental impact of these, but beginning to build in environmental components. In 1984 the World Bank adopted a Comprehensive Environmental Policy and in 1986 a Wildlands Conservation or Biodiversity Policy. Both of these are intended to guide all World Bank projects, although actual implementation takes time and experience. The World Bank has discovered that even well-designed environmental endeavors can open a region to further degradation, such as the the Carajas Iron Ore Project in Brazil.

USAID—In 1983, section 118 of the Foreign Assistance Act directed the Agency for International Development to focus on tropical forest conservation and in 1986, section 119 mandated conservation of biological diversity and authorized \$2.5 million of AID funds per year for this purpose. Although AID officially opposes earmaking of funds because it usually only removes dollars from other programs, in this case the practice did serve to increase awareness in the agency. In fiscal year 1990 an additional earmark of \$10 million was added for species conservation. Since 1988 AID has begun to integrate tropical forestry and biological diversity goals into its overall development policy, and AID missions are now required by Congress to include assessments of forest resources and biological diversity and actions needed to preserve them in country development strategy statements. Some 45 AID missions have now completed these, including all those in Latin America and the Caribbean.

In FY 1989 AID funded 112 forestry projects for a total of \$76.8 million with some 25 of the projects overlapping into both categories. AID funds have been used to save critical biological sites, to assist governments in changing environmentally damaging policies and legislation, to promote agroforestry and land use planning, to support environ-

mental education and research, and to strengthen government agencies and private environmental organizations in host countries.

Perhaps the finest program for addressing both hunger and deforestation has come from the Wildlands and Human Needs Program of the World

Ultimately the decision to enable their populations to feed themselves and to protect their forests depends on the political will of leaders of sovereign nations.

Wildlife Fund. Established in 1985 with a matching grant from AID, the funding has just been extended through 1993 to support over 20 long-term projects in Latin America and Africa. Most of these are income-generating activities based on sustainable use of natural resources for populations living in critical biological areas. WWF puts in over \$2 to every U.S. government dollar and thus far has been quite pleased with their cooperation with AID.

AID has made a significant beginning in the past few years towards viewing conservation of forests and resources as part of development assistance. Yet the goal of integrating environmental conservation into all aspects of AID's development process has not yet been fully attained. At times AID projects seem to work against one another with conflicting goals. It is important that conservation of tropical forests and species not be viewed as a new objective in addition to alleviating hunger, but simply another part of the solution.

International Business in LDCs—U.S. based multinational corporations have played a large role in LDCs, both contributing to causes of deforestation and hunger as well as providing some relief in the way of local employment and services.

In an increasingly interdependent financial world, the hungry represent some half billion people without purchasing power in international markets. The competition from increased productivity of LDC farmers and manufacturing would be less significant

than the addition of huge numbers of new consumers. Trade barriers can be devastating to both hungry farmers and tropical forests, but similarly wise trade policies can be a powerful tool for helping them.

POLITICAL WILL AND ECONOMIC REALITIES

Ultimately the decisions to enable their populations to feed themselves and to protect their forests depends on the political will of leaders of sovereign nations. Yet even political determination can be thwarted by such economic realities as excessive debt and runaway inflation. Tropical nations can be financially aided, loaned to, invested in, sold to, negotiated with or threatened (and all of these are necessary), but they cannot be forced. Sustainable development consists of helping developing nations help themselves.

Finally, conserving the forests and ending hunger is about educating governments and local populations to their tropical forest treasures which temperate nations are willing to pay large sums to preserve. It is about helping LDCs to see that development predicated on drawing down the natural resource supply is short-lived. It is about agricultural and forestry extension programs teaching the tropical small farmer how his livelihood is intricately dependent on maintaining the forest.

Halting deforestation and malnutrition is about educating women, still the keepers of family and food, about nutrition, about family planning, about farming, about alternative sources of fuel and about income generation. It is about improving rural education and enlisting the help of schoolchildren in Africa to grow seedlings for reforestation. Ending hunger and deforestation is about empowering tropical universities to train personnel in forestry and tropical agriculture and management of natural reserves. It is about strengthening tropical research in agriculture and forestry and the marriage of the two and about regional collaborative networks for information exchange. Last, but not least, the solutions are about educating Americans. The values we hold and the examples we set, good or bad, are still the role models for the developing world. ■

Mr. Smith Goes to Washington. Honest.

by William P. McKenzie

If your recall of film classics is at all good, you'll easily remember that the protagonist in the venerable "Mr. Smith Goes to Washington" sets out to save the nation's legislators from themselves. The storyline makes for great drama, of course, particularly when the film's Mr. Smith is played by Jimmy Stewart. But the guiding principle for freshman legislators is more like that of your average seven-year-old: be seen but not heard.

Sponsorship provides an answer to the question, what did you do during the great S&L war, daddy?

On occasion, a first-term representative stirs up Washington. This summer Vermont's Peter (yes, this is his name) Smith has been doing just that.

On June 6, the 44-year-old lawmaker introduced a House resolution "which urges the president to instruct the attorney general to appoint an independent counsel to investigate the involvement of government officials in the savings and loan scandal." Within two-and-a-half weeks that legalese had attracted an astonishing 250 cosponsors.

The number of supporters is surprising since the government officials Smith most wants examined are members of Congress. So let's just say that within that pool of 185 non-sponsors can be found a number of Smith detractors. The word "uppity," the boyish-looking legislator says, is taking on new familiarity.

To be sure, self-preservation has driven some legislators to cosponsor the

new independent counsel bill. Such support provides an answer to the question, what did you do during the great S&L war, daddy?

Yet it would be unfair to say that Capitol Hill is run amok with purely political reactions to the savings and loan scandal. A genuine frustration exists among some Capitol Hill lawmakers about the \$500 billion S&L bailout. Congress itself is under attack. As Smith says, "a terribly wrong relationship existed between the savings and loan industry and certain members of Congress."

Some congressional frustration also arose before Smith's bill was introduced. On May 5, 1987, Representative Jim Leach, R-IA., presented an amendment which would have limited investments by federally-insured savings and loans to 100 percent of their capital or three percent of assets, whichever was lowest.

As columnist George Will wrote recently, "Leach thought there should be stricter limits on public liability for money put out in the pursuit of private property." The amendment lost on the House floor, but the nation was the real loser. Leach estimates that 10 percent of the S&L losses could have been prevented with the adoption of his amendment. When you consider that the S&L losses will likely top \$500 billion, the Leach savings would have been consequential, even by Washington standards.

So far, the savings and loan debacle has been mostly cast as a Republican versus Democratic issue. But it also is an executive branch versus legislative branch problem.

Much attention is being focused, for example, on whether federal regulators have been responsible in closing down insolvent thrifts. Earlier this year, a study prepared by James Barth, former chief economist of the Office of Thrift Supervision, claimed that 489 thrifts lost a total of \$42 billion from 1980 to



Congressman Peter Smith

1988—and that was *after* the thrifts had become insolvent. Barth puts it this way, "When you look at these numbers, you have to wonder, why were they open and insolvent for so long?"

One theory is that insolvent thrifts continued to operate because regulators lacked the money to close them down. And the reason the money could not be found is that during the latter part of the period Barth studied, Congress failed to recapitalize the savings and loans insurance fund.

The story continues: Why did Congress not recapitalize the FSLIC? One theory is that a few congressional leaders, like former House Speaker Jim Wright, D-Tx., and former House Whip Tony Coelho, D-Ca., used their influence to stave off the insurance fund's recapitalization. After all, the Democratic Party had developed a close relationship with the thrift industry during the 1980s. Certainly it wasn't in the best interest of many thrift operators to go bankrupt.

Peter Smith's bill is important because it seeks answers to such questions. "What did Congress know and when did it know it?" is its guiding ethic. Jim Leach calls the S&L scandal a "congressional Watergate." If Smith's approach is adopted, we may find out if that is true. ■

William P. McKenzie is editor of the Ripon Forum.

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Scenes From the 1990 Ripon Society Republican of the Year Award Dinner



Office of Personnel Management Director Constance Newman (l), Representative Ben Gilman (c) and AT&T Federal Government Affairs Director Rita DiMartino



EPA Administrator William Reilly (l), Representative Constance Morella (c) and White House Counsel Boyden Gray.

709 Second Street N.E.

On Tuesday, July 31 the Ripon Society sponsored its annual Republican of the Year dinner in Washington, D.C. Honorees for this year's dinner included Senator Robert Packwood, Representatives Constance Morella, Bill Frenzel and Bill Gradison, and Environmental Protection Agency Administrator William Reilly and White House Counsel Boyden Gray.

Ripon Chairman Congressman Bill Clinger presided over the evening's program, which focused on the theme "From the Roman Forum to the Ripon Forum." The highlight of the program was a panel discussion involving the Society's honorees and dinner vice chairpersons. The "Ripon Forum" was led by Representative Clinger, and a replica of the old Roman Forum, where ideas were debated in an earlier era, served as a backdrop.

Over 300 people attended the Society's annual fundraising dinner, which marks the sixth consecutive year for such a crowd. **The Washington Post** also ran a lengthy feature piece on Ripon the next day, which later reappeared in **The Boston Globe** and **The Tulsa World**.

According to the **Post's** E.J. Dionne: "The first miracle is that Ripon survived. And Ripon members who gathered for their annual fundraiser this week think a second miracle is in the process of happening. For the first time in years, they can make a case that the Republican Party is moving, at least a little, in their direction."

Dionne also discussed the relationship between the Ripon Society and George Bush. "The Bush-Ripon friendship goes back a long way," he wrote. "Ripon made what turned out to be a prescient choice when it selected Bush as one of a relatively small number of House Republicans that the Society endorsed for reelection in 1968."

CHAPTER ACTIVITIES

The first meeting of the new Washington, D.C. Ripon Society chapter was held on Wednesday, July 18. Ilene Rosenthal and David Fuscus organized the gathering, which drew



Senator Bob Packwood addresses the Republican of the Year Award Dinner.

over 60 people. Representatives from the Bush administration and the Society's Congressional Advisory Board were also on hand. For more information about the new D.C. chapter, please contact: Ilene Rosenthal, 202-225-5074.

On August 11, Boston Ripon Society President John Sears hosted a Boston chapter meeting at his home on the Massachusetts shore. The Boston chapter will also be holding sessions on the November election this Fall.

On June 28, the New York Ripon chapter heard from New York State Assembly candidate Patrick Moore, whose 1989 Far East travels placed him in Beijing during the Tiananmen Square massacre. His presentation on Asia is the second discussion the New York chapter has sponsored this year on Pacific Rim issues.

New York Ripon Chairman John Vorperian recently had a piece published in the **Scarsdale (N.Y.) Inquirer** on the problems of divided government. Chapter member John Ravitz, a member of New York Representative Bill Green's staff, is also running for the state assembly.

Under the direction of presidents Masu Dyer and Marilyn Cabbage, the Hawaii and Iowa Ripon chapters, respectively, meet regularly for business luncheons. If you are interested in forming a Ripon chapter in your area, please contact the Ripon Society national office.

We are saddened to note the death of two long-time Ripon Society members, Pam Curtis of Washington, D.C. and Beth Grinder of New York City. Both Pam and Beth passed away this summer. Their presence will be missed by their many friends within the Ripon community.

PRESS NOTICES

Representative Jim Leach, chairman of the Ripon Society from 1981-1988, was the focus of a piece this summer by syndicated columnist George Will. In his July 22 column, Will wrote: "...we could avoid S&L messes by listening to the likes of Rep. Jim Leach..."

Will's article analyzed an amendment which Leach, a senior member of the House Banking and Urban Affairs Committee, introduced on May 5, 1987. Its purpose was to limit investments by federally insured savings and loans, although it was defeated by the House Democratic majority 391-17. (The amendment was supported by such moderate Republicans as Bill Clinger, Tom Petri and Paul Henry.) As Will wrote, "Leach guesses that passage of his amendment would have prevented 10 percent of the losses so far in the S&L debacle. ... Thus on May 5, 1987, Congress made a \$50 billion blunder."

The Ripon Society's endorsement of President Bush's new tax stance received notice in **The Washington Post** on July 1. As noted by some within the Bush administration, so far Ripon is the only Republican group to publicly support the president's new tax position.

Ripon Forum editor Bill McKenzie's regular column has been published in recent weeks in **New York Newsday**, **The Dallas Morning News**, **The Barre (Vt.) Times-Argus**, **The Keene (N.H.) Sentinel**, **The Waterbury (Ct.) Republican and American** and **The Casper (Wyo.) Star-Tribune**. For copies, please write: **Ripon Forum**, 709 Second Street N.E., Washington, D.C. 20002. ■

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