

IMPRIMIS

Because Ideas Have Consequences

HILLSDALE
COLLEGE

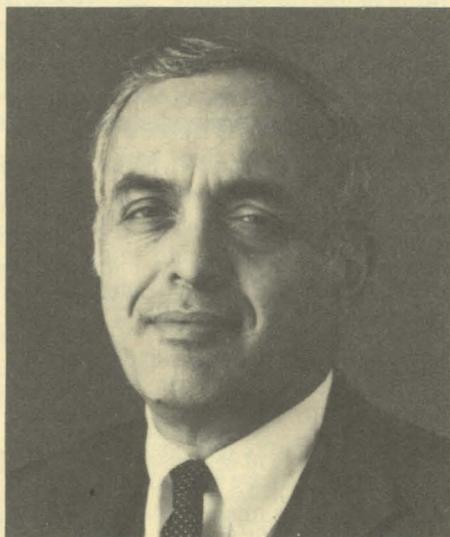


Hillsdale College, Hillsdale, Michigan 49242

April 1991 Volume 20, No. 4

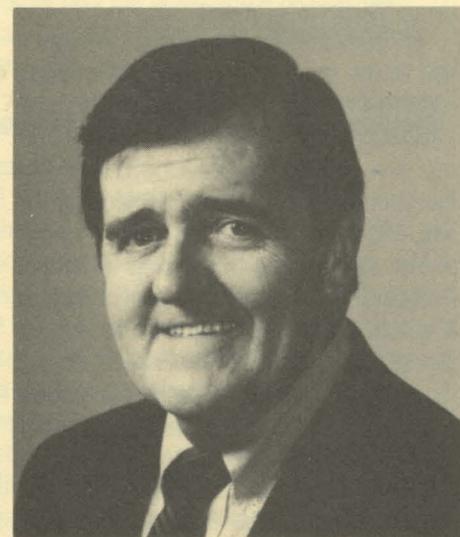
“Cutting Government Down to Size: Will It Work?”

Robert Novak, Evans & Novak’s “Inside Report” vs. Mark Shields, columnist, Washington Post



Robert Novak

Editor’s Preview: *This issue features two of America’s most well known journalists, Robert Novak and Mark Shields. Since their debate took place at Hillsdale’s Shavano Institute for National Leadership seminar, “Political Reform in the 1990s” on January 17, the day after war was declared in the Persian Gulf, some of the more serious comments refer to this event. But on the whole, we hope that the reader will enjoy the humorous side of their presentations too. While their deep and wide-ranging differences on the question of big government are obvious and instructive, Novak and Shields roast each other here in one of the most entertaining debates it has ever been Shavano’s privilege to sponsor.*



Mark Shields

ROBERT NOVAK: The moderator for this session gave me some very good news when he indicated he would make sure that the time was even, because Mark always tries to get more time when we have these joint appearances, and I’m glad somebody’s going to be fair. Fairness is not just a liberal Democratic issue, you know. I’m glad to be here, but I’m doubly glad that Mark Shields is here. It’s good for Mark, who, unlike Jim Wright, is a *real* liberal Democrat who believes that government is wonderful, believes the more you spend the better off you are and who never saw a tax increase that he didn’t like.

It’s also good for Mark to be here in the presence of the patriotic people in this Shavano audience, people who believe in the private sector, the kind of people he never sees, since he is permanently lodged inside the Washington Beltway.

In case you think I’m being over-critical, I think it’s also important for Mark to be here because he is an American success story. I don’t think it’s going to be in his regular introduction, but Mark spent most of his adult life as a professional political consultant. The problem was that nearly all his candidates lost!

He took over the Muskie campaign when Muskie had a 77 percent popularity rating and he brought him down in the course of a year to seven percent. When candidates discovered that hiring this little fellow

(continued on page 2)

MARK SHIELDS: I’d like to thank the moderator for that introduction; it was a lot nicer than the one I received recently in Baltimore, where the master of ceremonies simply said, “Now, for the latest dope from Washington, here’s Mark Shields.” I admit straightforwardly that I stole that line from one of my favorite Republican senators, Alan Simpson of Wyoming, a man of enormous wit. Once, when asked his church preference, Simpson answered, “red brick,” which always endeared him to me.

I do appreciate the invitation to be here today; it’s an invitation I do not deserve, but I have bursitis and I don’t deserve that either (appearing with Bob Novak is the closest thing I can find to bursitis).

Actually, Bob and I are friends, in spite of our genuine and serious political differences. There is nothing I wouldn’t do for Bob Novak, and there’s nothing Bob wouldn’t do for me, so we go through life doing nothing for each other.

I was asked on the way in to this Shavano seminar where our “Capital Hill Gang” cohort Pat Buchanan was, and I answered that Pat would have been here today, but he had a conflict in his schedule: He was receiving the Man of the Year award from the Friendly Sons of the Spanish Inquisition.

In spite of Bob’s cruel words, I want to be kind to him. He was recent-

(continued on page 3)

Novak (continued from page 1)

guaranteed they were going to lose, pretty soon they stopped hiring him. So, his family was destitute—he didn't have a dime, and he switched professions. He moved from politics to journalism, and today, ladies and gentlemen, Mark Shields is a millionaire journalist and that's what makes America great!

Unfortunately, Mark and I have been agreeing on something lately, and that is our misgivings about the policy of the United States in the Persian Gulf. I will say this: There are some people, of course, who were out in the street before the war, during the war, after the war demonstrating against the Contras, and against El Salvador. And there are still some Vietnam demonstrators left over. But I believe that once American fighting men and women are committed to action, then all citizens should give the troops 100 percent support.

It's been a funny time for me, because I was in the Army in the Korean War, and I supported the Vietnam War to the bitter end. I also supported the Dominican intervention, the Grenadian intervention and the Panamanian intervention. So why, until 7 p.m. EST on January 16 did I have so many public and private misgivings about the Persian Gulf? Well, there are a lot of reasons. If we can intervene here, is there no place we cannot intervene? What other petty dictator shouldn't we intervene against? I am deeply concerned that we are spending too much money for defense, and we are going to have a hell of a time trying to cut the current budget now. I also believe there are a hundred million Arabs, and a lot more Muslims, with

Robert D. Novak teamed up with Rowland Evans in 1963 to write "Inside Report." Today syndicated by the *Chicago Sun-Times* and appearing four times weekly in over two hundred newspapers, it is a national institution. Formerly a *Wall Street Journal* correspondent, he is the author of *The Agony of the GOP: 1964*, and co-author of *Lyndon B. Johnson: The Exercise of Power*, *Nixon in the White House*, and *The Reagan Revolution*. He collaborates with Evans on two widely read newsletters on politics and taxation, and the "Evans and Novak" program on CNN. Mr. Novak is also a roving editor for *Reader's Digest* and a regular panelist on "Crossfire," "Meet the Press," and "The Capital Gang," of which he is also the executive producer.

whom we have bought some trouble. Those problems are all in the future, and I hope they will be solved.

There has been another development during the months leading up to this war that fits the subject of this debate perfectly, and that is the whole question of President Bush's rhetoric about "a new world order." We're to understand, of course, that this means an order with the United States in the driver's seat. Regardless, that sounds a lot like super-government to me. I don't share the President's confidence in super-government on the international—or national—scale.

...the way to get a nation's economy growing is to lower taxes, limit regulation, and to get the cotton-pickin' hands of government off the economy. And the funny thing is, it *always* works."

The Gulf war also recalls some misgivings I have on the domestic scene about the Bush administration. I recently picked up the "Kennedy family newsletter," the *Boston Globe*, and there was a column by a good friend of Mark and mine, Tom Oliphant. He was writing about an interview with Teddy Kennedy, in which Kennedy said that he was glad that at the start of this new Congress he and his Democratic colleagues had helped get an extra \$50 billion—for various "worthy purposes"—during budget negotiations with the administration; it wasn't nearly enough, of course, but according to the Senator it was a start.

Hey! Did you know that? Did you know that the President broke his pledge on taxes, that he cut the Republican Party in half to give Ted Kennedy \$50 billion more to spend? Did you wonder why it was that Ted Kennedy had been talking about the budget so much, saying we had to have a tax increase? When Ted Kennedy says we have to have a tax increase, that it is the time for Americans to put their hands on their wallet.

Let me tell you something about this budget "deal." It calls for \$180 billion in *additional* federal spending over the next five years. It has \$138 billion in *additional* taxes. The deficit doesn't go down; it goes up. The first estimates said \$50 billion or so, but

the actual figures will certainly be much higher now. The Bush administration never even went through the motions of trying to cut spending; the only thing it got out of the budget deal was some mechanisms that they said would restrain the Congress from future spending increases, at the cost of these tax increases.

Of course, surprise, surprise, the first thing that Congress did was to renege on these inadequate mechanisms. Men like Ted Kennedy say, "You can't do it, even if it's desirable, there's no way you can cut the budget." In truth, it's just the opposite: it can be done, and it's the people in Washington, D.C. who don't think it's desirable or feasible. The "four percent solution," widely supported by fiscal conservatives, was one plan which should have been seriously considered: It has three elements: (1) no new taxes; (2) a freeze on defense spending; and (3) a four percent increase in domestic spending. This plan allowed for a \$450 billion protected deficit reduction instead of \$500 billion for the next five years. Why didn't the Bush administration push that? Why didn't the Democratic House leadership even let Republican members put it up for a vote?

It is ironic that sound laissez-faire reforms are rejected at home precisely at a time when the rest of the world is starting to heed the ideas and philosophy of the fellow pictured on my necktie—Adam Smith. (I had breakfast with Mark this morning and he said, "Bob, you wore your Adam Smith tie! If I had known, I'd have worn my Karl Marx.")

Adam Smith's monumental study of the free market, *Wealth of Nations*, published, appropriately enough, in 1776, is said to be the book that is the most quoted and least read of any book with the exception of the Bible. Smith, who was not, thank God, a trained economist, said that the way to get a nation's economy growing is to lower taxes, limit regulation, and to get the cotton-pickin' hands of government off the economy. And the funny thing is, it *always* works. It worked in the 18th, 19th and when it's been tried, it's worked in the 20th century. But the 20th century has been the century of big government.

Ronald Reagan was such a success because he recognized this and attempted to cut government down to size. Reagan, I have to tell you, is my favorite 20th-century American president. My second favorite is Calvin Coolidge. What Reagan and Coolidge had in common was a firm belief that government was the problem, not the solution. They have been pilloried by the press for their shared predilection for getting a little shut-

eye during the 24-hour period. But I guarantee that no president of the United States has ever done damage to this country when he was making "Z"s in the White House!

That's why it bothered me so much when George Bush and his administration came into office saying, "We're going to be burning the midnight oil." I have seen a lot of midnight oil-burners: Lyndon Johnson, Richard Nixon, Jimmy Carter, and our old republic has a hard time surviving them. What such ambitious public servants do, with the willing aid of the bureaucracy, is to expand the scope and size of government.

Government is a dingy business. Employees in the federal branch are by their nature dispirited, and the people in the Beltway establishment—the media, the special interests, the bureaucracy and Congress—are completely out of touch with the American public. They have no idea how counter-productive big government is to our economy and our culture.

After centuries of experience, these people still don't know that big government doesn't work. All over Eastern Europe, people are saying, "Get the government off our backs,"

ever had, keep doing it. Even if welfare results, as every sociologist knows, in greater poverty and dislocation in the inner city, keep doing the same thing."

“...the people in the Beltway establishment—the media, the special interests, the bureaucracy and Congress—are completely out of touch with the American public. They have no idea of how counter-productive big government is to our economy and our culture.”

but in this country, with a Republican president, we're increasing the load. Contrary to Kennedy's comment about the budget, it is more than just a matter of money; it is a mindset that says, "Even if it has never worked, keep doing it, again and again. Even if affirmative action has resulted in racially discriminatory quotas and the worst race relations on the college campus that we've

The notion that the American people want all this government, but that they just don't want to pay for it, is the biggest canard foisted on us by today's politicians and media. What the country needs is a leader, and a leader who will make his first priority speaking over the heads of the Beltway types to say, "No more. Let's really cut government down to size." ▲

Shields *(continued from page 1)*

ly voted one of the best minds in the Washington press corps. (Being voted one of the best minds in the Washington press corps is a little like making the Ten Best Dressed list in Albania.) But Bob is a respected member of the press, and I am happy to be here with him.

I did in fact mispend a large part of my youth and early middle age in elective politics. Bob remembered "President Muskie." I worked for a lot of other Democratic candidates, too, and I went to very few inaugural balls, let me tell you. But after the Democrats lost in 1988, for the fifth time in the last six presidential elections, the party leaders gathered at a "secret meeting," which, of course, Evans & Novak reported on. There they agonized in deep soul-searching introspection about what had happened. This lasted about 13 micro-seconds, and what the Democrats concluded they need in 1992 is a Southerner at the top of the ticket.

On every Democrat's dance card for 1992 is the name of Chuck Robb, the former governor of Virginia, son-in-law of the late Lyndon Johnson and a Marine Corps combat veteran from Vietnam. He was elected to the Senate from Virginia in 1988, and the Republicans were hard pressed to find anyone to run against him who wasn't under indictment or in detox.

I like Chuck Robb personally, but I do not think the people of the United States are ready for a president from Virginia. If you

think about it, Virginia's not a state; it's a museum piece: Williamsburg, Monticello, Mount Vernon; people in Virginia suffer from terminal nostalgia. They talk about General Lee and Mr. Jefferson like they're out on a coffee break and expected back momentarily. Richmond is a sort of hotbed of "social rest."

This always reminds me of the old line about how many Virginians does it take to change a light bulb? The answer is three: One to change the light bulb, and two to reminisce about what a great light bulb the old light bulb was.

Bob's mention of Ted Kennedy reminded me of a fundamental political truth, one that is borne out by the time we're going through right now in the Persian Gulf. I obviously share Bob's feelings about Americans who are committed in battle in the Persian Gulf and support them completely. But the war will not always elicit total public support.

To illustrate: When Ted Kennedy entered the presidential race in 1980 to oppose Jimmy Carter, it may have been Bob Novak, it may have been Rowland Evans, it may have been Heloise's Hints, but somebody who was very smart remarked at the time that Kennedy would never again be as high in the polls as the day he entered.

This prediction proved to be right. There was an idealized reminiscence of his brothers, but as Bob Strauss, the former Democratic Party chairman and former Jimmy Carter campaign manager, quipped, what Ted Kennedy proved in the 1980 cam-

paign was that Rose didn't have triplets.

I think the same could be said right now of the war in the Persian Gulf. It will not be as popular a year from now as it is today.

Americans are wonderful people. I say that without any hint of self-congratulation; we truly are. We have rallied to our President in a time of national emergency, and we have obviously rallied to support our brave fighting men and women. But the sobering reality is that the current leadership has not prepared our nation for any sense of sacrifice, and it has not laid out the case as to what constitutes victory. What are our goals,

Mark Shields, a columnist for the *Washington Post*, is also known to millions of Americans for his regular appearances on television, and has earned a reputation for being one of the wittiest, most insightful political analysts in America. He has worked for CBS and NBC News covering national elections and conventions; he is a frequent guest on programs like "Nightline," the "Phil Donahue Show" and the "Today Show." Since 1987, he has been a regular commentator on the "MacNeil/Lehrer News Hour." And every Saturday, he joins Robert Novak, Pat Buchanan and Al Hunt on CNN's award-winning program, "The Capital Gang." He is also an author and a former Harvard professor.

what do they entail and what kind of long-term commitments are we making, not simply in the Persian Gulf, but elsewhere around the world?

We have been told already that this is going to be painless, ouchless and quick. There will be no inconvenience, no sacrifice required of me, or of any of the other 250 million Americans, except our 450,000 soldiers—men and women who are ready to give everything.

“What we all seem to want is that small, independent, lean, federal government of our dreams working on our side 24 hours a day—on the cheap. In reality, Americans do want government to do all sorts of things.”

I find that really unAmerican, in the true sense of the word. For those of us who lived through World War II—which was a communal experience, when every citizen felt that he or she belonged to the American community and was responsible for its welfare—it is especially disturbing. Any time Americans are at risk, under fire, anywhere in the world, then all of us have a responsibility to share that sacrifice in some way.

Much has been said about the “lessons” of Vietnam that have been supposedly learned over the past twenty years, and the one that seems to be repeated more and more often by our friends on television is, “We learned from Vietnam that there could be no more gradual build-ups, no more gradual escalations. From now on, we are going mount a quick, complete, muscular response in reaction to military threats.”

I don't think *that* was the lesson of Vietnam. The lesson of Vietnam was, and remains, that you don't commit Americans to battle until you commit the American people. You don't ask American soldiers to put their lives on the line while we here at home are still undecided and indecisive about what's going on, and what our mission is.

What is going to happen when the Iraqi military machine collapses? Do we put a friendly government in Baghdad? What happens when it loses the first popular election that we've mandated? I don't think we've

thought our actions in the Gulf through, and I can tell you that the chairman of the House Intelligence Committee put it very bluntly recently, that no American will be truly safe traveling across the ocean for the next ten years, and that we have unleashed forces of terrorism, the likes of which we in this country have always been blessedly spared and mercifully free.

There is one more thing. Those men and women of my generation learned as schoolchildren the poem that runs, “In Flanders fields the poppies grow...” but there won't be any Flanders fields in Saudi Arabia. Our allies don't allow the Christian cross; they don't allow the Star of David, and they don't allow the American flag. That there will be no tragic Flanders fields in the Middle East may be some sort of consolation, but it is a poor one. Let us pray that the war in the Gulf is short, quick and decisive, but let us not forget this.

I have devoted some time to discussing the Middle East because of the timing of this debate, just hours after American troops were committed to action. But now, we ought to turn our attention to the topic of government.

I find myself in agreement with an earlier speaker in this program, former Civil Service director, Don Devine, and in disagreement with Bob Novak, which probably makes Novak comfortable and Devine uncomfortable: the deadlock between the executive and legislative branches in American government can be blamed in large part on Ronald Reagan.

Why? Well, I should state at the outset that I was one of the few political liberals who wrote positive things about Ronald Reagan. His administration proved to Americans, who had grown disenchanted after Vietnam, Watergate, Jimmy Carter and Gerry Ford, that government could work. Optimism and confidence in the federal government went up while Reagan was in office. Ironically, this was a disaster for the conservative, anti-government movement which Reagan publicly supported.

He won two landslide elections by asking the question, “Are you better off than you were four years ago?” In 1980, the American people said “No,” and Reagan carried 44 states. In 1984, the American people said “Yes,” and he carried 49 states. Ronald Reagan actually confirmed the inescapable truth that American politics is not ideological.

We simply are not terribly introspective or philosophical. Americans—and you know them, and live with them, you claim them as relatives and neighbors and friends—are pragmatists. Ideologues believe what is right,

works; Americans believe what works is right.

Voters, when asked the question, “How about the federal government—is it a pain in the neck?” reply instantly, “You better believe it.” When next asked, “Is it too big?” they shout, “Yes! The government is too big. There's too much red tape. Get those government types off my back, out of my hair, I can't stand them!”

You might be inclined to say “Wow, Americans are pretty conservative!” Sure, when people are asked questions in the abstract about how they feel about the federal government, they'll tend to complain. However, when told that just outside of Pocatella, Idaho, a single can of tunafish has been discovered with a trace of botulism, there is a universal American reaction: “Where are our protectors in the federal government? Why aren't they doing their job? I want a report in my office Monday morning.”

What we all seem to want is that small, independent, lean, federal government of our dreams working on our side 24 hours a day—on the cheap. In reality, Americans do want government to do all sorts of things.

“... does big government work in our country? I think there are some significant successes.”

Ronald Reagan accomplished another feat in American politics: He defined both parties. He gave the Republican Party an identity it had long lacked. There was nobody in a noncomatose state in 1980 (the comatose states were Wisconsin and Connecticut) who could claim that he or she did not know what Ronald Reagan intended to do as president. He laid it out—specific details: cut the size, scope and spending of government, double the defense budget and cut taxes by a third. (I'm sure that was in there somewhere, always noted in the op-cits in Novak's papers.)

Reagan gave the Republicans definition because he came to power on this platform, and even Republicans are occasionally pragmatic. He brought into office with him 32 new Republicans to the House, and a Republican majority to the Senate for the first time in 26 years. This too restored Americans' confidence in the federal government.

American voters *have* made a distinction between the two parties. When asked in all

the recent surveys which party is better in dealing with the Soviet Union, voters say "Republicans" by a decisive margin, and that's a legacy of the Reagan era. The same holds true for issues like controlling inflation and maintaining a strong national defense. However, those same voters, when asked in the very same surveys, which party is better at fighting for the interests of the middle class, protecting the environment, protecting the rights of women and minorities, protecting Social Security and Medicare, the Democrats win by a big margin.

Those first tasks I mentioned are basically identified with the President. As far as representing individual citizens' interests—making sure there isn't a toxic waste dump in the next neighborhood, etc.—these are congressional issues. The current deadlock between the executive and legislative branches makes a lot more sense when you take these factors into consideration.

Despite that deadlock, does big government work in our country? I think there are some significant successes. For example, in 1972, all fifty states conducted studies that revealed that only 36 percent of the nation's rivers could be considered safe for fishing or swimming. Seventeen years later, by the same states' assessment, the figure had climbed to 70 percent. That's a positive change in American life, and it wasn't achieved by simply lowering the capital gains tax, which is Bob Novak's basic answer for everything from illiteracy to illegitimacy. ▲

MODERATOR: It was suggested prior to this debate by *Wall Street Journal* editorialist, John Fund, that the USSR has supplied Iraq with weapons and replacement parts in the months leading up to the Gulf war. And Soviet tanks have been used in the Baltics. In these two instances, Gorbachev seems to have reverted to leader of the "Evil Empire." What position should the United States take as a result?

ROBERT NOVAK: Mark Shields observed recently on "The Capital Gang" that the Nobel Peace Prize might be the first such award which is repossessed. It was a disgrace to give Mikhail Gorbachev the award, and to make him *Time's* Man of the Decade, simply because he was a communist bureaucrat who was trying to improve an unimprovable system and the thing got away from him. He's trying to walk the dog backwards and it's very difficult. I'm amazed that Gorbachev has stayed in power this long. It is still possible that maybe the KGB and the army might attempt to take over the country.

In the long run, we will probably see the dissolution of the Soviet empire, but this not an immediate expectation.

John Fund is right that there have been Soviet supplies moving into Iraq. Everybody knew—the CIA, the nationalists in the USSR, even Mark Shields. Everybody also knew that the communist crackdown everywhere, especially in the Baltics, would coincide with the deadline in the Persian Gulf. If you have been watching CNN during these crucial days in mid-January you have seen nothing whatsoever on the Baltics. And for the last 24 hours, the news blackout has been complete. This gives Gorbachev a free pass to do whatever he wishes.

If and when this war ends, and I hope it's soon, the leverage that Gorbachev has on President Bush will be diminished, and he knows it. He is very clever and pragmatic. Mark likes pragmatism, but I don't care for it very much. I think it's caused a lot of pain and misery in this world, and it will do a lot more.

However, if we really want to be pragmatic ourselves, how about cutting off aid to the Soviet Union, and supplying it directly to the Baltic nations?

MARK SHIELDS: I find myself in a little disagreement with Bob. I think Gorbachev's departure, whether de facto or de jure, has already taken place. He said he didn't know what was going on in Vilnius. That makes him either impotent, with the army and the KGB operating outside his control, or it makes him a base liar. There used to be a special aura about Gorbachev as far as the West was concerned, but it has been permanently dimmed.

There's no doubt, if we're going to start offering criticism of the Gulf situation, that we bought the votes of some of our allies in different ways. We bought the votes in the U.N. Security Council. The Egyptians, for the forgiveness of \$7 billion in debts, became ardent, enthusiastic supporters of the coalition. And since the Soviet Union and the United States have teamed up, I don't think it's any accident that Soviet repressive measures have occurred when combat broke out in the Middle East, or that news about Lithuania, for example, was pushed to page 33 in many American newspapers.

Just think what a story that would be if there were no Persian Gulf. Just think what a story the collapse of the Bank of New England or the news that the Secretary of Defense actually canceled a plane whose price was overrun three times would be.

There are some terribly important things that have happened and received no atten-

tion because of the Persian Gulf, and that is to the political advantage of the White House.

MODERATOR: "Is there too much government?"

MARK SHIELDS: "I don't think people want more government, I think they want to have better government, I don't think there's any question about that. I don't think anybody who goes through a Department of Motor Vehicles line and gets sullen indifference from the clerks, or who has to contend with hours that would make a one-bank town envious by comparison, feels good about dealing with the government.

But I come back to what I think is the most dangerous political quicksand to fall into when one is trying to understand why one's position has not prevailed. That is the facile, absolutely mistaken tendency to "blame the customer," i.e., it's the voters' fault.

Republicans used this complaint to console themselves after Franklin Roosevelt won his second landslide in 1936. They said, "We just don't know what happened to the darned American people—they used to vote for us, they used to be good solid rugged individualists, but they traded that for food, clothing, jobs and housing." And in 1984, the Democrats said how could a Republican candidate carry 49 of our 50 states? The only possible explanation, they reasoned, was that the American people have turned racist, sexist and macho (which are all three indictable offenses in most jurisdictions).

... In recent presidential elections, we had three Republican landslide victories. Yet we now have in the House of the Representatives, 25 more Democrats than when Ronald Reagan took office. So the voters are making distinctions.

The Reagan years ratified the New Deal. Americans *do* want Social Security, they *do* want Medicare, but they simply refuse to pay for it. They want all the things the Democrats offer on the menu and they want the Republican price tag. I think that explains the ambivalence of our electorate better than any philosophical reason that I can think of.

ROBERT NOVAK: You have just heard the voice of the Washington Beltway. This is the steady line of the liberals and the big government advocates of both political parties: the people want all of this, but they just don't want to pay for it.

Well, Mark, I'll tell you what they *do* want. They want to be protected from botulism in their tunafish, but they don't want all the hundreds of unnecessary programs, agencies and bureaucratic boondoggles. They don't want these things, but they

feel they can't do anything about it.

MODERATOR: "Is that a failure of democracy?"

ROBERT NOVAK: It simply means that democracy is imperfect. It means that when citizens vote for members of Congress, gerrymandering and incumbency leave them with very few choices. The advantages for political incumbents is staggering. There is a collusion between both parties to keep it that way, so the only answer is term limitation.

I also like Don Devine's attitude about dramatically increasing the number of Representatives in the House; I'd like to kick them out of their offices and have them sit on the House floor, about 3,000 of them, if we increased membership proportionately. Sitting on that floor might persuade them to go home once in a while to face their constituents instead of spending the whole year isolated inside Washington.

On the matter of collusion between the parties: The Republican and Democratic congressional leadership made a deal which, if the Sherman Anti-Trust Act had been heeded, would have sent them all to prison. The deal was this: If any challenger criticizes an incumbent of either party for voting for a House pay increase, "He shall have his funds cut off." I have been covering Washington politics for almost 40 years, but it was not until then that I knew that the whole system was and is irredeemably corrupt and that the only answer is to put a limit on how long these rascals can serve.

MARK SHIELDS: Novak has brought up his hot-button issue of term limitation, so let me respond. I think he's absolutely wrong. He's got a serious problem, and he's

got the wrong cure. The problem isn't that there isn't competition in House elections but that 41 members of the House of Representatives—Republican and Democratic—are now sitting on war checks of \$1 million each.

As for the Democrats, if hypocrisy were a felony they'd all be doing time, because they don't want to see campaign financing laws changed. They like the system. The Republicans prove, on the other hand, that stupidity is not a victimless crime. They also love the present laws.

Now let's suppose you're running a political action committee, a good one. I don't care; it could be for widows and orphans. It could be to outlaw the metric system. You're not trying to raid the public treasury or do anything mean to your neighbors.

But you get an invitation from the ranking member of the subcommittee that deals with your entire legislative future that you care deeply about. Are you going to come up with money for that member's next campaign? You better believe you're going to come up with money. If you don't come up with money, then all of a sudden you're on a bad list, because you know damn well that the guy on the other side, who's against you on this issue, is going to come up with money. And that's how incumbents raise money.

The PACs are held up. It's a form of legalized extortion. The only cure is a system of publicly financed presidential races.

ROBERT NOVAK: There's a certain class of people in this country called the

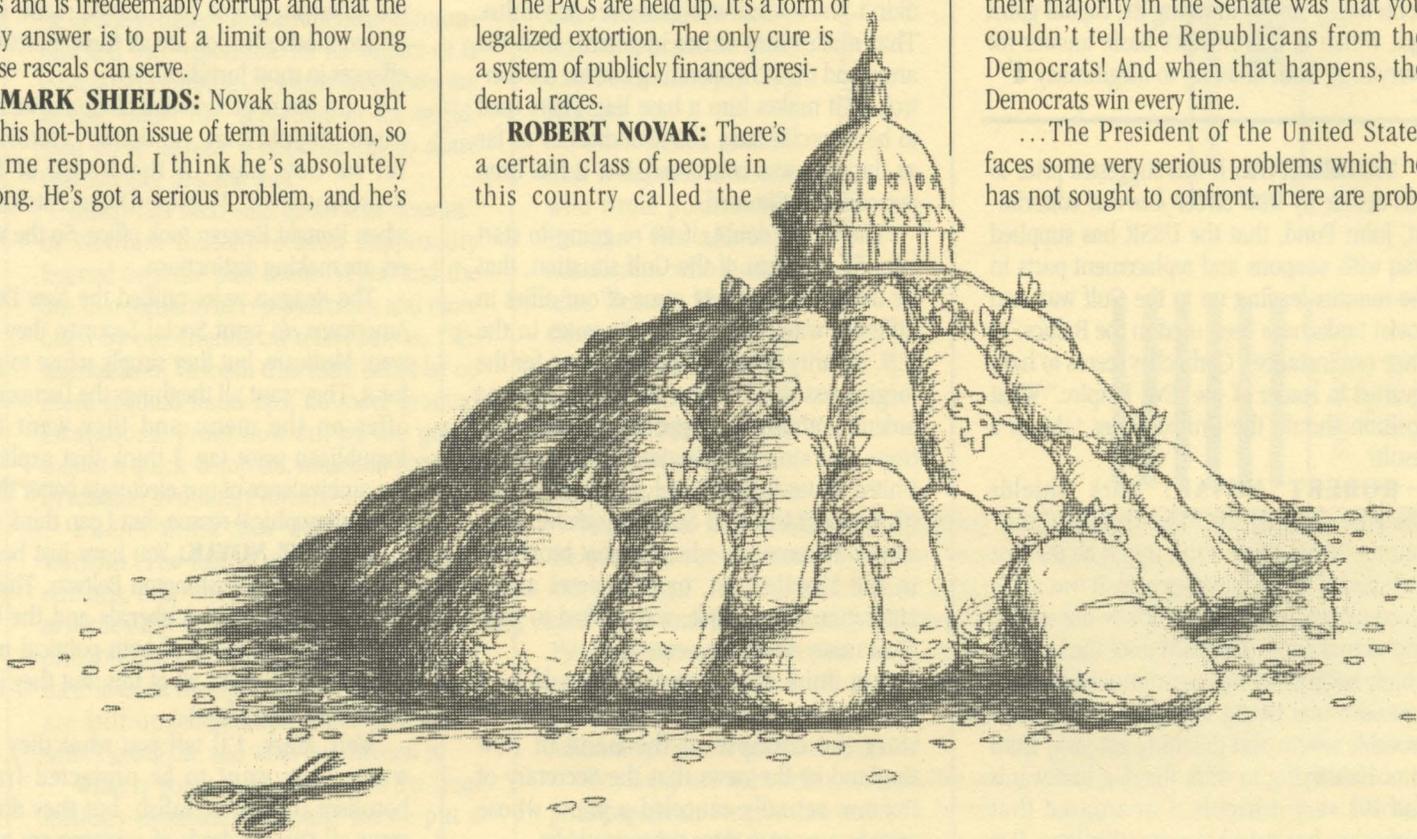
"political establishment" who, whatever the problem, always call for more government spending as the answer to the problem, which Mark just did.

AUDIENCE QUESTION: "In the state of Oregon, we were having trouble with the cost of government, particularly since property taxes are so high. We passed a referendum to reduce them, but now the governor and all the politicians of Oregon are threatening citizens with a sales tax, and all other kinds of revenue measures without calling them a tax hike. How can you account for this kind of betrayal at the upper level of government?"

ROBERT NOVAK: Because that is the business government officials are in, and it's bipartisan. They are cogs in a whole machine which runs on a constant cycle of more revenue and more services. The minute you have a popular vote to restrict the revenue, the first thing they do is cut off what is most vital. Instead of cutting the least necessary services, they say what we have to cut are schools, fire and police. Bureaucrats always say that. They don't say that the lazy bums sitting around the courthouse or the pork barrel programs have to go. To change this situation requires a grassroots revolution.

And it's going to take a Republican Party that you can't imagine today. The reason the Republicans lost the 1986 elections and lost their majority in the Senate was that you couldn't tell the Republicans from the Democrats! And when that happens, the Democrats win every time.

...The President of the United States faces some very serious problems which he has not sought to confront. There are prob-



lems with the economy, the financial structure of this country, and most of all we need to get the federal government and the regulators off the backs of investors and entrepreneurs. We have to cheapen the price of capital, and if Congress or the President wants to create some kind of a Rube Goldberg invention to do it, instead of wisely cutting the capital gains tax, I'll even go along with that. But they must make us as competitive as the Japanese and the Germans in the price of capital, and there has to be some courage displayed by the President of the United States in order to get that message across.

MARK SHIELDS: My own political philosophy is not nearly as well-honed as Bob's, but I would say you're talking about a suicide pact if you start pushing the capital gains cut that he wants. George Bush is a serious problem for Republicans because the Party already has a liability, and that is the negative perception that it is the refuge of the rich and the country club set.

What the Republican Party has been

smart enough and shrewd enough to do in recent decades is to nominate candidates for the presidency who don't come from a posh background. No one could accuse Ronald Reagan of being the product of a country club; he voted four times for Franklin Roosevelt and voted for Harry Truman. He came from very humble origins in Illinois. No one could accuse Richard Nixon or Gerald Ford or Dwight Eisenhower of patrician origins either. But what George Bush confirmed was the Republican stereotype. Here is a guy who was born on a polo pony, who grew up in a yacht club, and who was chauffeured to school every day of his life. No wonder he talks about stepping in "deep doo-doo."

ROBERT NOVAK: Let me finish by answering Mark on the capital gains tax. There is a broader issue to be raised. Mark thinks the Republicans should be terrified of this issue, and a lot of them are terrified because they are terrified by a lot of things. They're a frightened bunch of politicians,

and that's why they haven't taken advantage of the natural conservative sentiments of the American people.

The thing that makes George Bush blink when he looks into George Mitchell's eyes as the Democratic leader utters the dreaded word "fairness" is fear. Bush was a courageous naval aviator; he shows a lot of courage in a lot of situations, but in this one, which involves one of the most dangerous issues of the twentieth century, one that pits class against class, he fails.

As a matter of fact, fairness, or at least the liberal misconceptions about it, have nothing to do with reducing the capital gains tax. The rich people with lots of money don't need a cut in the capital gains—it's the small entrepreneur who needs it, to build new buildings, and to invent new technologies and to expand embryonic businesses.

More than anything, the debate over the capital gains tax illustrates how divorced the residents of the Beltway are, as George Roche puts it, from heartland America. ▲

IMPRIMIS (im'-pri-mes), taking its name from the Latin term "in the first place," is the publication of Hillsdale College. Executive Editor, Ronald L. Trowbridge; Managing Editor, Lissa Roche; Assistant, Patricia A. DuBois. The opinions expressed in IMPRIMIS may be, but are not necessarily, the views of Hillsdale College and its External Programs division. Copyright © 1991. Permission to reprint in whole or part is hereby granted, provided a version of the following credit line is used: "Reprinted by permission from IMPRIMIS, the monthly journal of Hillsdale College. Subscription free upon request." ISSN 0277-8432. Circulation 280,000 worldwide, established 1972. Complimentary subscriptions available. IMPRIMIS trademark registered in U.S. Patent and Trade Office #1563325.

OVER 1000 TAPES – HILLSDALE COLLEGE'S FREEDOM LIBRARY features books, audio and video tapes of speakers like Ronald Reagan, Tom Sowell, Malcolm Muggeridge, William F. Buckley, Jr., Jeane Kirkpatrick and Tom Wolfe. For a free catalogue, check box below, or call 517-439-1524, ext. 319.

ENCLOSED IS MY TAX DEDUCTIBLE CONTRIBUTION TO HILLSDALE COLLEGE FOR \$ _____

Check boxes for more information:

- On-campus seminars of Hillsdale's Center for Constructive Alternatives.
- Off-campus seminars of Hillsdale's Shavano Institute for National Leadership
- Student Admissions
- Gift and Estate Planning (plus a free copy of *A Guide to Investing in Hillsdale College*)
- Freedom Library* books and tapes
- FreedomQuest*

Specify format:

- (i) *Imprimis* (1-10 copies \$.75 each 25-\$10 50-\$15 100-\$30)
- (a) Audio Tapes (\$5.00 per tape)
- (v) Video Tapes (\$15.00 per tape)
- (p) or (h) Books (see catalogue for paper and hardbound prices)

Qty.	Format	Author/Title	Price
			Subtotal
			Michigan residents, add 4% sales tax
			Total

FREE SHIPPING!
(Please make checks payable to Hillsdale College)

Imprimis is free upon request! Please let us know if there are individuals you'd like to offer a subscription and join our efforts to reach an ever-widening circle of friends. List names below:

New subscriber _____ New subscriber _____
 Title/Organization _____ Title/Organization _____
 Address _____ Address _____
 City/State/Zip _____ City/State/Zip _____

Do we have your correct address?
Indicate changes on the reverse side of this form.

(Please print – use second sheet if necessary)



HILLSDALE COLLEGE

PURSuing TRUTH · DEFENDING LIBERTY SINCE 1844

33 EAST COLLEGE STREET
HILLSDALE, MICHIGAN 49242

HILLSDALE.EDU | (517) 437-7341