POLICY *Review*

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JUNE E. O'NEILL

THE GOP'S ENVIRO-RUT
DAVID MASTIO

THE GUNS OF BRUSSELS
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The Story of the Surplus

By JUNE E. O'NEILL

"VICTORY HAS A HUNDRED FATHERS and defeat is an orphan," as JFK said after the Bay of Pigs fiasco. As an illustration of this dictum, there are many claiming fatherhood, or claiming to know the father, of the current golden economy and one of its apparent progeny — the federal budget surplus. Unfortunately, there is no DNA test for determining the real father of the economic successes of the past five years. The popular nominees — among them Alan Greenspan, Bill Clinton, Ronald Reagan — are likely to be found to have had an influence. But many people and things, known and unknown, planned and accidental, were players in the outcome. It's high time to ask and try to answer the basic questions about the surprising appearance of a federal surplus two years ago. Where did it come from? How closely tied is it to the economy or to the policy actions of Congress and the president? How realistic are the assumptions underlying the projections of huge surpluses over the next decade? And what should we do with these surpluses?

The history

IN FISCAL 1998, total revenues taken in by the federal government exceeded total federal spending, producing a surplus of $69 billion. (This is not the only definition of the surplus — but more about that

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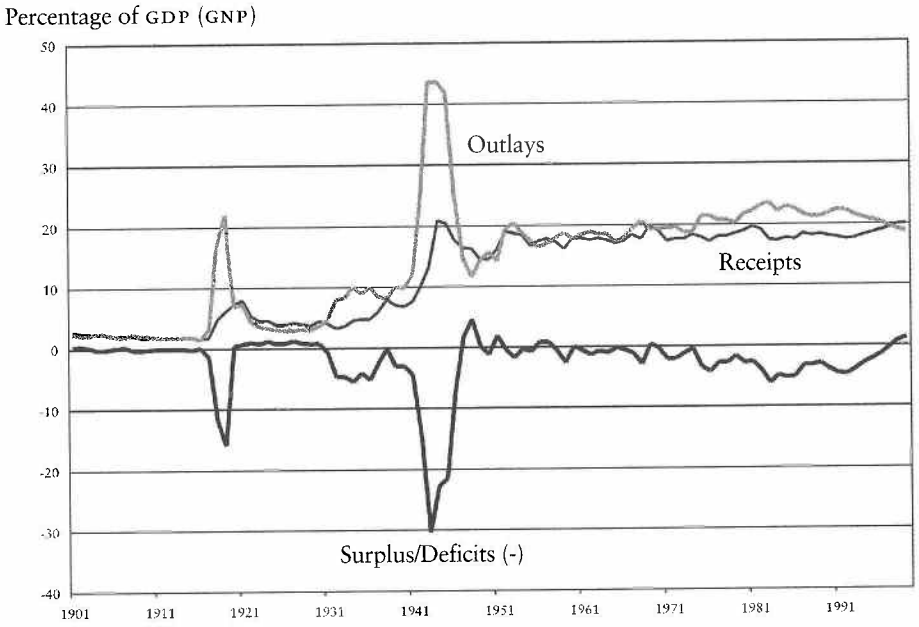
June E. O'Neill is Wollman professor of economics and director of the Center for the Study of Business and Government at Baruch College, City University of New York, and an adjunct scholar at the American Enterprise Institute. She was Director of the Congressional Budget Office from 1995 to 1999.

below.) In 1999 the total surplus grew to $124 billion. According to projections of the Congressional Budget Office (CBO), it is expected to be $179 billion (1.4 percent of GDP) this year and grow to about $500 billion in 2010. Over the period 2000-2010, the annual surplus is predicted to average more than 3 percent of GDP.

If this projection should be realized, it would be a marked departure from the past seven decades. As Figure 1 shows, we have not had many years of surplus since 1930 (10 to be exact). It is true that surpluses were more the rule than the exception during the first 30 years of the 20th century. (There was an unbroken string of 11 years of surpluses in the 1920s.) But those surpluses were generally less than 1 percent of GDP. Evidently, before surpluses could grow too large, they were reduced or eliminated by downturns in the economy or by tax cuts (before the 1930s) or spending increases (after World War II).

FIGURE 1

Receipts, Outlays and Surplus/Deficits (-) as a Percentage of GDP *(*GNP *before 1940), Fiscal Years 1901-1999*



The historical data make it clear that wars and deep recessions have always been major causes of large deficits. The deficit reached 16 percent of GNP in World War I and 30 percent of GDP in World War II; and when the depression of the 1930s replaced the Roaring '20s, Calvin Coolidge's surpluses gave way to large deficits.

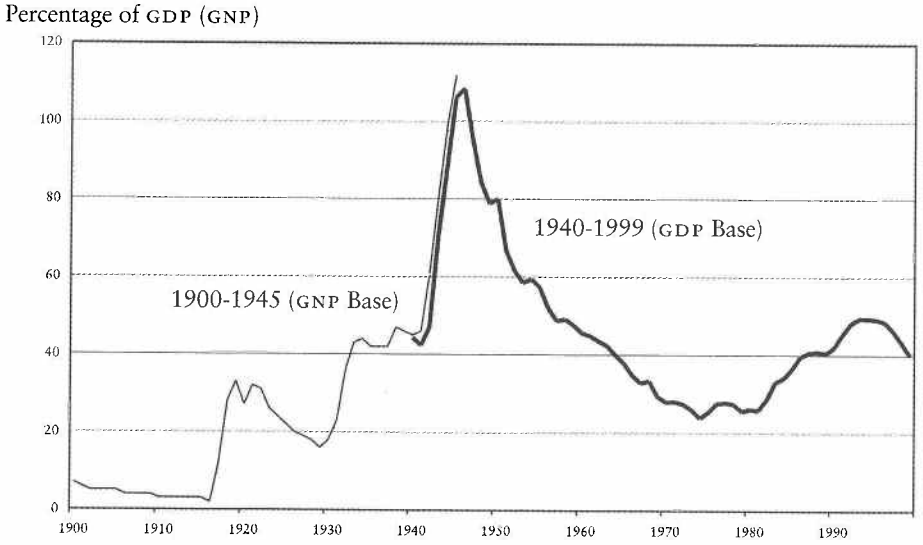
Lesser recessions and smaller wars (Korea, Vietnam) were also associated with deficits in the postwar period. But they cannot account for the trend of a widening deficit that began in the 1970s and grew to an annual average of

4 percent of GDP during the 15 year period 1980-94. That story is complex, involving the huge increase in the size and scope of the federal government after World War II and the rise of entitlement programs to a dominant share of budget outlays. The Reagan presidency marked the beginning of an ongoing national struggle over continuing growth in government, which likely had the effect of temporarily increasing the deficit. Rising federal outlays were not matched with rising taxes. But to do that likely would have put a permanent seal on higher spending levels.

Deficits if unchecked enlarge the national debt. Wartime deficits unavoidably increase the debt, which soared during World War II to a level well in excess of GDP (see Figure 2). Rapid growth in GDP during the 1950s and '60s reduced the ratio of debt to GDP, even though in absolute size the debt increased in most years because of continuing deficits. However, with growing deficits and slower growth in the economy, the debt eventually rose as a percentage of GDP from its post-World War II low point of 24 percent in 1974 to top out at almost 50 percent from 1993 to 1995. The recent shift from deficit to surplus has already had a favorable impact on the debt. By the end of 1999 the debt had declined to 40 percent of GDP and, if the CBO projections materialize, it would almost disappear, declining to 6 percent of GDP by the end of the decade. The CBO projections assume adherence to current budget policy — that is, no new legislation affecting taxes or spending — and therefore they assume that all of the projected surplus will be used to retire the debt. However, even if the projected surplus is eliminated by tax cuts or spending increases, current projections indicate that simply balancing the budget would reduce the ratio of debt to GDP to about 26 percent by 2010.

FIGURE 2

Publicly Held Federal Debt as a Percentage of GDP *(*GNP *before 1940)*



Putting aside the tough question of what debt level presents an economic problem, it is worth noting that although the current level of U.S. debt is around 40 percent of GDP, it is not high in comparison with other major developed countries. In 1998 the average debt to GDP ratio of the members of the European Monetary Union was about 70 percent, and in three of those countries — Belgium, Greece, and Italy — the debt exceeded 100 percent of GDP. (These countries recently have been been reducing their deficits and debt to meet the membership terms of the Maastricht Treaty on monetary union, which require a debt no higher than 60 percent of GDP.)

From '80s deficits to '90s surpluses

IN ORDER TO UNDERSTAND where the current surplus came from, it is useful to examine the factors that contribute to budget outcomes generally and therefore to both the widening deficits of the 1980s and early 1990s and the recent surplus. The following factors are important in any account of the budget:

- The economy — in particular, the rate of growth of real GDP, the rate of inflation, and the level of interest rates. The distribution of income is also key because the larger the share earned by the rich, the more income is taxed at the tax code's highest rates — therefore, the higher the effective tax rate on all income.
- Budget policy — tax and spending legislation affecting present and future levels of revenues and outlays and budget rules that have explicitly attempted to control tax and spending legislation and limit the deficit.
- Unexpected events that affect the economy or the budget. Such exigencies as wars, oil shocks, a savings and loan crisis, or a surge or collapse in the stock market can have a huge effect on the federal budget.
- Economic and budget forecasts. These set the baseline for all budget legislation. When forecasts are overly optimistic, as they were in the 1980s, budgets are more prone to yield deficits because expectations of good times allow higher budgetary spending than is actually affordable. When forecasts are overly pessimistic, the reverse occurs. The CBO forecasts of the middle 1990s were famously off course as the stock market and other factors produced unexpected bumper crops of tax receipts.

During the 1970s there were two negative economic developments that had major effects on the nation and the budget. One was a sharp slowdown in productivity growth from the high levels of the 1950s and 1960s. The

other was a major inflation that had gathered steam over the decade, soaring to an annual rate of increase in consumer prices of 13.5 percent by 1980. The productivity slowdown reduced the growth in national income at the same time that Social Security and other entitlement programs were growing rapidly. The budget deficit widened to 2.7 percent of GDP in the last years of the '70s.

The high and accelerating rate of inflation had a direct influence on the budget at the end of the 1970s and early 1980s by sharply raising the effective personal income tax rate: Inflation raised nominal incomes, pushing people into higher tax brackets (the income tax was not indexed at that time). Because marginal and average tax rates for a large portion of taxpayers had increased to unprecedented levels, there was growing taxpayer discontent (recall the limitations placed by voters on state taxing power) and popular support for a cut in the federal income tax. Under the circumstances, a tax cut of some kind likely would have been on any president's agenda.

Reagan's 1981 tax cut

As is well known, large-scale tax reduction was a central element of the Reagan campaign, both for reasons of promoting long-term economic growth and for providing tax relief from inflation-induced bracket creep. The Economic Recovery Tax Act of 1981 (ERTA), built largely on the Reagan administration's proposals for across-the-board cuts in marginal rates and indexing of the tax brackets against inflation along with an increase in depreciation allowances for business, was passed in both the Senate and the House by overwhelming majorities.

It is widely believed that ERTA was a major contributor to the large deficits of the 1980s. Was this true? The answer is that ERTA surely contributed to the deficit; but the more difficult and important question is whether the long run effects were on balance more harmful or beneficial given the alternatives.

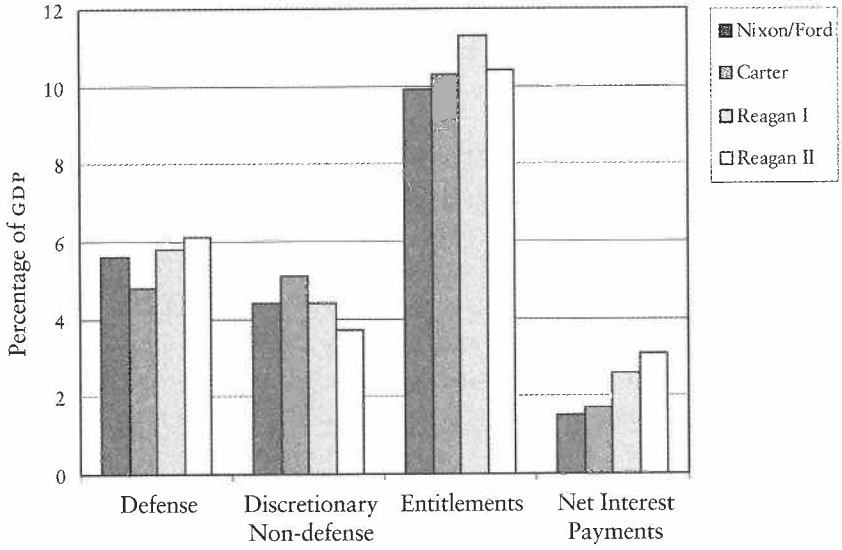
The Joint Committee on Taxation (JCT), which is responsible for estimating the revenue effects of all legislation being considered by Congress, predicted that by 1984 ERTA would result in a revenue loss of $148 billion compared to the revenues expected under pre-ERTA law. That is a substantial loss, amounting to almost 4 percent of GDP. As it turned out, tax revenues as a percentage of GDP averaged around the same level as they were during the Carter years — the annual average for 1981-88 was 18.1 percent (that is with some help from subsequent tax-raising legislation). But in the absence of ERTA, taxes would have been a much higher proportion of national output — about 21 percent of GDP in 1984 and still higher later on. That would have been enough to eliminate 80 percent of the 1984 deficit. But the price for that deficit reduction would have been sharply high-

er marginal tax rates that likely would have impeded economic growth in the long run. Moreover, by accommodating higher levels of spending with tax increases, pressure to restrain spending growth (and therefore help control future deficits) would have been diminished.

FIGURE 3

Spending on Outlay Components as a Percentage of GDP *(4 year average)*

	Years	1 Defense	2 Discretionary Non-defense	3 Entitlements	4 Net Interest Payments	Total Outlays
Nixon/Ford	73-76	5.6	4.4	9.9	1.5	20
Carter	77-80	4.8	5.1	10.3	1.7	20.8
Reagan I	81-84	5.8	4.4	11.3	2.6	22.7
Reagan II	85-88	6.1	3.7	10.4	3.1	22.1



The spending side also contributed to the 1980s deficits (see Figure 3). Outlays over the period 1981-88 averaged 22.4 percent of GDP a year, and that was 1.6 percentage points above the average for the Carter years. The popular view is that the Reagan defense buildup (reversing a decline from 1973 to 1979) was the main factor in this growth in outlays. However, the growth in interest payments on the outstanding debt (fed by the enormous rise in interest rates at the end of the '70s and early '80s), and a surge in entitlement spending in the early 1980s, were also major contibutors. Even after inflation had been sharply reduced, inflationary expectations kept interest rates high into the mid-'80s. The composite interest rate on new and old debt paid by Treasury increased by about 2.4 percentage points between 1979 and 1985.

Over the period 1982-1986 the deficit averaged about 5 percent of GDP. But during the last half of the 1980s the deficit picture improved as real GDP growth increased to a healthy average of 3.7 percent a year, while tax revenues grew by slightly more. At the same time, the growth in both discretionary and entitlement spending declined as a percentage of GDP. By 1989 the deficit was reduced to 2.8 percent of GDP, which is slightly above what it was in 1980.

The good times, however, did not last. In 1990 the economy again slipped into recession, which was further exacerbated by the Gulf War. Tax revenues actually declined in real terms from 1989 to 1992, outlays increased, and the deficit widened again to almost 5 percent of GDP in 1992. Contributing to the gloomy picture was a large dose of bad luck. The savings and loan crisis led to an eruption of spending to make good on deposit insurance. Many states figured out a loophole in Medicaid reimbursements that enabled them to enrich state coffers for non-Medicaid purposes. These "disproportionate share" payments caused Medicaid to grow by close to 30 percent a year for a couple of years. CBO projections of the budget outlook grew more pessimistic at the start of 1992. The budget office announced that it expected a deficit of $350 billion for that year, which would have been 6 percent of GDP. The actual 1992 deficit was 5 percent of GDP; still not a reassuring number.

What brought the surplus?

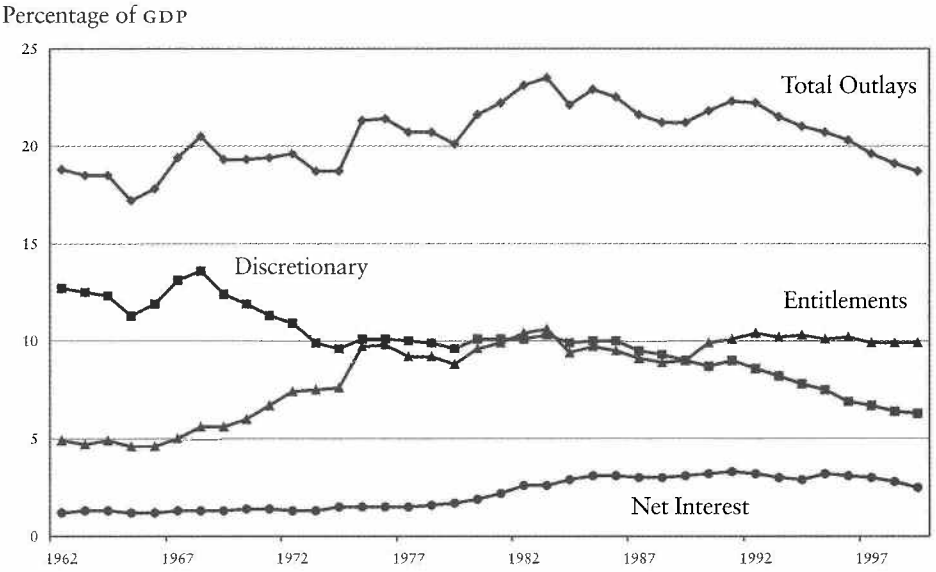
WHEN I CAME TO CBO in March 1995, the budget office was projecting deficits of 3 percent of GDP "as far as the eye could see." This projection was based on what appeared to be reasonable assumptions at the time. Although the economy had recovered from the 1990-91 recession, it did not experience the usual spurt in growth that is typical of the early years of an expansion. Real GDP grew by about 3 percent a year during the 1992-94 period compared with the 5 percent growth rates in the comparable years following the 1982 and 1974-75 recessions. The Clinton tax hike enacted in 1993 increased revenues, but they had not risen above 18.1 percent of GDP.

Although we did not know it then, these pessimistic forecasts were probably one of the proximate causes of today's unanticipated surplus. The large actual deficits, and projections of more of the same, put tremendous pressure on legislators to find ways to reduce federal spending. Deficit reduction appeared on the national stage when it became a central issue of the 1992 presidential campaign. But even before that, the high deficits of the 1980s had spurred legislative efforts to reduce the deficit. The Gramm-Rudman-Hollings (GRH) legislation of 1985 specified deficit targets and spending cuts to be made automatically if the targets were not met. The targets proved impossible to meet in years when underlying conditions worsened unexpect-

edly. In 1990, a new budget act replaced GRH with far more effective rules: ceilings or "caps" on discretionary outlays and the so-called "paygo" provision requiring any new legislation that would increase entitlement spending or reduce taxes to be paid for with a cut in other entitlement spending or a tax increase. (The 1990 legislation also contained the famous tax increase that caused President Bush to break his "no new taxes" pledge.) The caps and spending restrictions of the 1990 act were subsequently renewed in 1993 and again in 1997. When the newly elected Republican majority came

FIGURE 4

Outlays by Budget Category as a Percentage of GDP, *1962-1999*



to Congress in January 1995, the goal shifted from deficit reduction to the more ambitious one of balancing the budget by 2002.

Did these budget rules work? Clearly growth in outlays slowed dramatically through the 1990s. From a level of 21.2 percent of GDP in 1989 — the low point of the 1980s — outlays fell to 18.7 percent of GDP in 1999, a level not seen since 1974. Some of that reduction is attributable to very low inflation, which reduced cost-of-living adjustments, and to lower interest rates, which reduced payments on the federal debt. The growth in spending on Medicare and Medicaid was lowered in part as a result of legislation and in part for reasons not wholly understood. However, most of the reduction in outlays came from a huge decline in discretionary spending, which fell to 6.3 percent of GDP in 1999 from 9 percent in 1989 (see Figure 4). Discretionary spending, in fact, did not even increase as much as inflation, declining in real terms by almost 9 percent over the decade.

It is tempting to credit the budget caps with the reduction in discretionary spending. However, *all* of that reduction came from cutbacks in defense, which in nominal dollars declined by 9 percent from 1989 to 1999 and in real terms by 29 percent. Should the credit for defense cutbacks be given to

the peace dividend from ending the Cold War, or was it the budget caps? There is no counterfactual that would enable us to answer that question scientifically. In my view, having observed Congress struggling with a constant stream of requests and temptations to spend more, the caps provided an important reason to say no. Violating the caps in the face of large deficits was not something to be done lightly. Congress generally abided by the caps, exceeding them only slightly, and then in allowed areas where Congress could claim an emergency or a disaster. Two divergences from the general pattern are worth noting. One occurred in 1996, when actual discretionary spending was $13 billion below the legislative ceiling. That was the year of the battle of the budget between Congress and the president; the year of government shutdowns and snowstorms that kept the government closed and the year of many months without an enacted budget in place. The Republicans may have paid a political price, but the deficit was narrowed by a year of low spending. Moreover, the president was brought aboard the balanced budget movement. The president's initial budget that year contained no deficit reduction proposals. But just a few months later, the administration countered the congressional plan calling for balance by the year 2002 with its own proposal for balancing the budget by 2005; and as the summer turned to winter, it came to accept the 2002 target date and put forth its own ideas for how to get there.

In contrast, the other divergence involves the opposite behavior in the face of current rosy budget forecasts. In 1999 and 2000, for the first time in many years, surpluses were anticipated well in advance of the annual round of legislative activity on the budget. And in both 1999 and, as it now appears, 2000, discretionary spending has grown faster than inflation, as the caps have been stretched by classifying more and more spending as "emergency" and by resorting to a variety of gimmicks that have shocked even the most cynical budgeteers.

The revenue side

THE BIGGEST SURPRISE in the advent of the surplus, however, has come from the revenue side of the ledger and in particular from the extraordinarily rapid growth in individual income tax receipts since 1994 (see Figure 5). From 1994 to 1999, income tax payments outpaced GDP growth, increasing from 7.8 percent to 9.6 percent of GDP, the highest level in the postwar period. No new tax legislation is responsible for that increase — the 1993 tax act raised tax rates for the richest taxpayers and that was largely reflected in 1994.

The CBO attributed the growth in individual income tax receipts in excess of GDP growth to four factors over the period 1994-98. The first is an increase in the share of GDP that is taxable personal income, and it accounts for almost 20 percent of the excess growth in individual income taxes. The

FIGURE 5
Revenues, by Source, as a Percentage of GDP *Fiscal Years 1940-1999*

second factor is the explosion in taxable capital gains, which grew even faster than taxable personal income. It accounts for 30 percent of the income tax surge. (Capital gains realizations close to tripled over this period, with most of the increase occurring *before* the cut in capital gains taxes in 1997.) The third factor, accounting for 10 percent of the income tax increase, comes from a rapid rise in assorted retirement income like 401(k) plan distributions.

The most important reason for the growth in income tax receipts, however, accounting for more than 40 percent of the increase, is a rise in the effective tax rate on adjusted gross income. The effective tax rate increased for two reasons. One was an increase in real incomes, which moved more taxpayers into the highest brackets — what might be called "real bracket creep." (The income tax was indexed for inflation, but not for increases in real income.) The other factor increasing the effective rate was the relatively rapid growth in income among those taxed at the highest rate. Estimates suggest that from 1994 to 1998, the share of total adjusted gross income (AGI) received by the 1.6 percent of taxpayers with incomes of $200,000 or more increased from 15 percent to 22 percent, and their share of tax liabilities increased from 30 percent to 40 percent.

The factors underlying the surge in revenues are not easily predicted. Rapid growth in the economy does not necessarily produce the kinds of changes in the income distribution or increases in capital gains that have occurred since 1994. CBO and other forecasters could not have anticipated these unusual changes. And once they occurred, there was no way to know how long they would last.

There are two additional factors that I believe contributed significantly to the evaporation of the budget deficit. One is the absence of legislation that

meddled with the economy or that had major, long-run spending consequences for the budget. The ambitious Clinton health plan likely would have had such an impact on the budget, and in addition could have had a damaging effect on the economy. Gridlock seems to be good medicine for the economy.

The other factor is good luck. The surprises that occurred after 1992 turned out to be beneficial to the budget, on both the revenue and outlay sides. The stock market boosted revenues, the slowdown in medical cost increases and the switch to managed care slowed Medicaid costs, the Asian financial crisis helped lower our consumer prices by providing us with cheap imports. But such good luck cannot always be counted on.

Will the surplus last?

THE SUDDEN APPEARANCE of the surplus in 1998 brought to mind the old Cole Porter song: "Is it an earthquake, or only a shock? Is it the good turtle soup, or merely the mock?" Similarly, do we have huge surpluses as far as the eye can see? Or is it only a mirage? Obviously, a projection is just that. One way to assess the uncertainty surrounding a projection is to look at alternative projections based on alternative assumptions about the economy. The CBO report on the budget outlook provides two alternatives to the baseline projection, one based on more optimistic assumptions and the other based on pessimistic assumptions (see Table).

TABLE
CBO Estimates of Total Budget Surpluses (Deficits) Under Alternative Assumptions (billions of dollars)

	2000	2005	2010	Total 2001-2010
***Economic Scenario:** assumes discretionary spending is held to CBO's estimates of the caps through 2002, then grows with inflation:*				
Optimistic	208	700	1,317	7,864
Baseline	176	376	633	4,234
Pessimistic	141	(4)	(142)	22
***Economic Scenario:** assumes discretionary spending grows with the rate of inflation after 2000:*				
Optimistic	208	591	1,173	6,784
Baseline	176	268	489	3,152
Pessimistic	141	(113)	(286)	(1,058)

Note: The main economic assumptions that are varied in the three scenarios are — real GDP growth; the share of wages and profits in GDP; personal income taxes as a percentage of taxable personal income in the national income and product accounts; and the growth rate of Medicare and Medicaid spending. The average annual GDP growth rate over the period 2000-2010 is 3.2 percent under the optimistic scenario, 2.8 percent under the CBO baseline and 2.1 percent under the pessimistic scenario. See tables 5.2 and 5.3 of the *Budget and Economic Outlook: Fiscal Years 2001-2010*, Congressional Budget Office.

The differences in assumptions between the optimistic and pessimistic scenarios reflect the dilemma of today's forecaster, who must decide whether the future will resemble the past — meaning the past couple of decades — or whether the remarkable economic developments of the past few years point to a more favorable outlook. The CBO baseline takes a middle road, but one leaning more toward the optimistic than the pessimistic path. For example, under the optimistic scenario, the real GDP growth rate averages 3.2 percent a year over 2000 to 2010; under the pessimistic scenario it averages 2.1 percent, and for the baseline it is 2.8 percent.

Underlying the differences in GDP growth rates are differences in labor productivity growth, which is projected to grow at a 2.6 percent average annual rate under the optimistic scenario — the actual growth rate of the past three years — and 1.6 percent under the pessimistic scenario — the growth rate of the past couple of decades. The baseline assumes that labor productivity will increase at a rate of 2.3 percent.

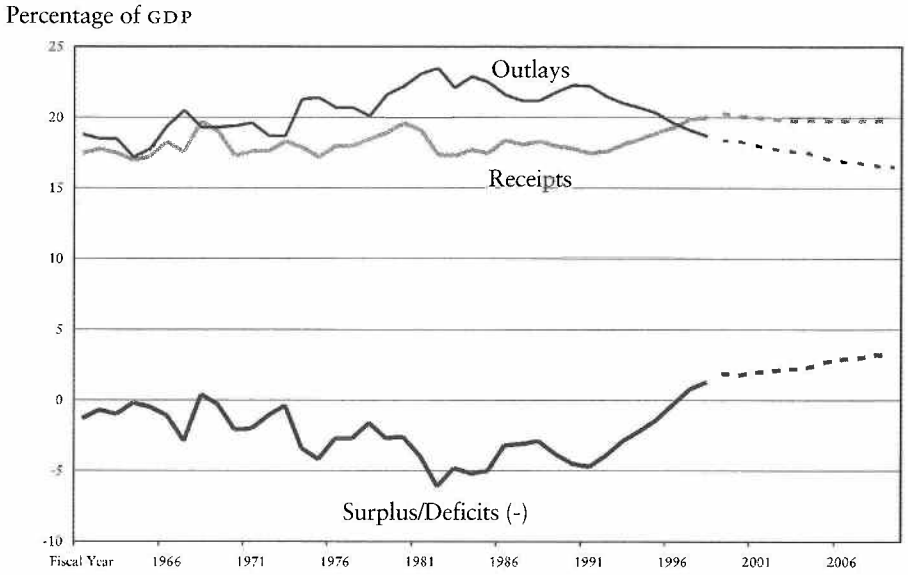
Other key assumptions relate to the share of GDP going to income sources taxed at high rates, to personal income tax liabilities as a percentage of taxable income, and the expected growth in Medicare and Medicaid spending. With respect to the two factors that helped produce the surge in revenues over the past few years — increases in capital gains and increases in effective tax rates — the optimistic scenario assumes a continuation of this pattern for several more years, while the pessimistic scenario assumes a gradual reversal of the pattern.

The CBO projections are based on current policy and therefore assume no changes in laws governing taxes or mandatory spending. However, discretionary spending has no clear policy. So CBO assumes different possibilities. Two of these possibilities are shown in the table. The more stringent assumes that the current schedule of caps on discretionary spending are adhered to through the final legislated year, which is 2002, after which discretionary spending grows with inflation. The alternative assumption ignores the caps and has discretionary spending growing with inflation after 2000. Given the current fragility of the caps, the higher spending path is more plausible and could turn out to be an underestimate of discretionary outlays.

The pessimistic economic assumptions are remarkably close to the baseline assumptions of just a few years ago. The optimistic ones reflect the current state of affairs. The *outcomes* are very different. Under the optimistic scenario, the accumulated total budget surplus over the next decade (2001-2010) reaches $7 trillion to $8 trillion, depending on what one assumes about discretionary spending. But under the pessimistic scenario the surplus turns into a deficit midway, accumulating $1 trillion in deficits over the decade if one accepts the higher spending path for discretionary outlays. (If, under the pessimistic scenario, discretionary spending is held to the current caps, the lapse into deficits is delayed.)

Recently, it has become popular to view as the true surplus the "on bud-

FIGURE 6
Baseline Receipts, Outlays and Surplus/Deficit (-) as a Percentage of GDP *by Fiscal Year*



get" surplus, which excludes the surplus in the Social Security accounts (today's sacred cow). If the pessimistic scenario comes true and discretionary spending grows with inflation, the on budget surplus would vanish and deficits of $3 trillion would accumulate over the decade.

In the near term it is likely that the booming economy will continue to boost revenues, producing a sizable surplus (see Figure 6). How big and for how long are the questions. There are some obvious unknowns with respect to the economy. Is inflation reappearing? Can the Federal Reserve, even with Alan Greenspan at the helm, bring off the proverbial "soft landing"? The more immediate problem, however, is the spending side of the budget. The combination of a potentially large surplus and the coming election may prove too tempting to resist this year, and belts may well be further loosened to allow for a great deal more spending than we have seen for the past few years.

Budget and tax policy

HOWEVER UNCERTAIN THE SIZE and time pattern of the surpluses may be, they are surely having a big influence on the political process. Amidst the surplus hoopla there are some aspects of the current discussion that strike me as muddled or misleading.

Proposals to "Save Social Security" have become the most politically popular use of the surplus. However, Social Security is a pay-as-you-go system in which the benefits of current retirees are paid by the taxes of current work-

ers. The financial problem that these proposals presumably address is the shortfall in payroll taxes that is expected to occur when the baby boomers retire and the number of beneficiaries per worker will be much greater than it is today.

But the "Save Social Security" proposals are deceptive in this regard. They do not propose any reforms that would directly correct these future imbalances. In fact they have little direct connection with Social Security at all. They imply that the government has the ability to store up current surpluses in a fund that can be drawn down in the future to cover gaps between payroll taxes and benefit obligations. But there is no existing mechanism to do this. The Social Security Trust Fund is not a trust fund in the usual sense, but instead simply holds the IOUs of the Department of the Treasury. Once payroll tax revenues fall short of benefit obligations — and that is expected to occur around 2015 — the government will have to make up the difference by borrowing from the public (unless taxes are raised or spending reduced in other programs).

What the "Save Social Security" proposals actually do is guarantee that the Social Security surplus is used to retire the publicly held national debt.

One sometimes hears that the current Social Security surplus could be invested in private assets to ease the future problem. But putting the government in the business of investing taxpayer dollars in private stocks and bonds is simply not a viable option given the size of the funds involved and the potential for serious government intrusion in private business.

What the "Save Social Security" proposals actually do is guarantee that the Social Security surplus is used to retire the publicly held national debt. The Social Security surplus, which is the difference between Social Security taxes and benefits, is expected to account for about 85 percent of the total surplus this year. Therefore, by placing it off limits for spending or reducing taxes, the pressure for fiscal prudence will be greatly increased. That is not a bad thing if it deters wasteful spending. However, it will be a bad thing if it obscures the long-term problems in the Social Security system and deters efforts to develop structural reform.

One controversial economic issue is whether there are significant benefits to be gained from retiring the debt and whether those benefits are worth the sacrifice of other potential uses of the surplus. One argument given for running large surpluses to retire the debt is that in the process it would add to national savings, which in turn would increase growth and the nation's standard of living in the future. This effect, however, depends on linkages between debt retirement, savings, and productivity growth that are not well understood. Clearly debt reduction will tend to lower interest rates and

make it somewhat easier for business to borrow for investment. But lower interest rates are probably not an important determinant of the rate of innovation that spurs productivity growth. Indeed, economists have been unable to explain the causes of the productivity boom in the 1950s and '60s, the slowdown in the 1970s and '80s, or the apparent return of high productivity in the past few years — a period of declining saving.

A second argument for retiring the debt is that even if it had no effect on growth, it certainly would reduce or eliminate the portion of the budget that today is used to pay interest on the debt. Interest payments on the national debt currently consume 2.5 percent of GDP. With no interest payments in the federal budget, the taxes of future generations of workers will be lower than they would otherwise be. It will therefore be easier for these future generations to pay the added taxes needed for the Social Security benefits of retired baby boomers. But there is no way to guarantee that the no-interest dividend would be used for that purpose.

This argument also raises issues of intergenerational equity. Although we are often told of our obligation to future generations, those future generations probably will be richer than we are. Moreover, they will be benefiting from many of the activities or programs that the debt helped to finance (for example, medical research and the defense buildup during the 1980s that helped to end the Cold War). Shouldn't future generations be willing to pay for some of these benefits?

Another possible and important use of the surplus would be to make structural reforms in Social Security through conversion to a partially privatized system of individual accounts. That could be achieved by reducing the payroll tax and diverting the proceeds to individual accounts.

In my view, Medicare is in even more serious need of structural reform than Social Security. Yet the bulk of the discussion of Medicare centers on using surplus funds to shore up or even fatten the program with new benefits such as prescription drugs. The Breaux Commission pointed the way to genuine reform, though not much has been heard about it of late. (The Breaux Commission's proposal would move Medicare from a defined benefit program towards a defined contribution program.)

Fast to feast

OF COURSE, there are myriad ways to lay claim to the surplus, and after a decade of relative fasting, many are ready for the feast. However, what I find quite amazing is the apparent willingness of a large segment of the public to accept further restraint in the form of paying down the debt as an end in itself. This is certainly prudent if the only viable political alternative is a grab bag of spending programs that would be inefficient uses of the GDP.

However, there are worthy alternative policies to debt reduction. As I see

it, the major contender is a general cut in marginal tax rates combined with tax reform that would correct some of the distortions that have emerged since the 1986 tax reform legislation. One reason for a tax cut is that without it, effective tax rates will continue to rise as real income increases, boosted by productivity gains. The individual income tax was indexed for inflation, but not for real wage growth. In a progressive tax system, indexing for real income growth is needed just to maintain a constant share of taxes to GDP. A second reason for favoring a tax cut is that popular proposals for spending — such as more federal funds for education — are in areas that are appropriately financed at the state and local level. A federal tax cut leaves room for smaller government units to raise taxes, if lack of tax money is believed to be the real problem. A third reason for tax cuts is that they may be more effective for stimulating growth than debt retirement would be.

But in the short run — certainly for this budget season — I see little downside to waiting and allowing the surplus to reduce the debt further. It would give us more time to gauge whether we have really reached a new "plateau of prosperity" — in the immortally mistaken words of Irving Fisher in 1929.

Note: All of the figures include data originating from the annual budget reports of the Congressional Budget Office and the Office of Management and Budget. Historical data came from the Bureau of the Census and the Bureau of Economic Analysis at the Department of Commerce.

The GOP's Enviro-rut

By DAVID MASTIO

SINCE RICHARD NIXON created the Environmental Protection Agency 30 years ago, conservatives have struggled to deal with the environment as a political issue. And, with the exception of occasional tactical victories, we have miserably failed.

By now, the positions conservatives take on environmental issues are not only out of touch with the American electorate; according to some polls, they are out of touch with the views of self-identified Republicans. As things stand in most voters' minds, what Republicans say about the environment is marred from the start by a lack of credibility. Voters accept dogma from environmentalists as truth while taking truth, when conservatives utter it, as dogma.

The news from polls is uniformly bad for conservative positions, even from polls paid for by advocacy groups and accordingly skewed to favor the positions of those commissioning them. It doesn't matter how one manipulates the sample, tweaks the questions, or pushes the focus groups. It doesn't matter who is doing the research. The fact is that American voters not only support today's environmental protection; the plurality wants more and

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David Mastio is a contributing editor to USA Today *and covered the environment for the Washington bureau of the* Detroit News.

stricter regulation. And they see conservatives as opposed to their wishes.

According to two decades' worth of Wirthlin polls, Americans overwhelmingly agree with this statement: "Environmental standards cannot be too high and continuing improvements must be made regardless of cost." The low ebb was in 1981 at 45 percent — the only year support dropped below 58 percent. At the bottom of the last recession in 1992, support for that statement sat at 80 percent.

Gallup's latest Earth Day polling found that 83 percent of Americans agree with the goals of the environmental movement (as compared to 86 percent agreeing with those of the civil rights movement, 69 percent with those of the gun control movement, 61 percent with those of the abortion rights movement, and 49 percent with those of the gay rights movement). Though the question obviously loads the dice for a liberal response by asking about agreement with a movement's "goals," it is telling that environmentalism has become such a universally accepted value that adherence to it is about as widespread as support for civil rights for blacks.

Not even two-thirds of Republicans have faith in their own party on the issue.

Another way Gallup looked at the question was to ask people about their activity in environmental groups. Sixteen percent said they were active, 55 percent were not active but sympathetic, 23 percent said they were neutral; only 5 percent said they were unsympathetic. The Polling Company found nearly identical numbers last year.

Whom do Americans trust as a source for environmental information? Coming in first at 78 percent were national environmental groups — followed by local environmental groups and the EPA. Who came in seventh, eighth, ninth, and tenth most trusted of the 10 categories given, bottoming out at 37 percent? Small business, the Congress, the Republican Party, and large corporations.

Last, but hardly least, after nearly eight years of Carol Browner's zeal as head of the Environmental Protection Agency, 57 percent of Americans think the government is not worried enough about the environment.

Even when people try to give the numbers a tweak, the results are scary. A poll done for the Competitive Enterprise Institute, and packed with leading questions, asked which party does a better job handling environmental issues. It found Democrats won 46 percent to 20, and nearly 30 percent of the sample was Republicans. In short, not even two-thirds of Republicans have faith in their own party on the issue.

Even more telling are the answers to really loaded questions. Consider the following: "I think the government should pass new laws and regulations dealing with global warming, even if agreement on the causes of global warming isn't reached by the vast majority of scientists. It is better to pass

strict environmental laws even if these restrictions hurt our economy and standard of living in order to protect against the possibility that pollution is causing global warming." In the case of a question like this, the wonder is not that some people disagreed, it's that 36 percent actually nodded in assent.

Whether public opinion is out of touch with reality or not, the political fact is that to win national elections, Republicans need the votes of millions of people whose stated commitment to environmental protection is fully in line with such far left groups as the Natural Resources Defense Council and Greenpeace. In no other arena of public debate have Republicans and conservatives let themselves be so thoroughly whipped for so long without stopping to figure out what went wrong.

Dodging the concerns

IT'S NOT THAT CONSERVATIVES are silent on the subject of the environment, nor for that matter, that our policy prescriptions don't actually make sense in many cases. It's that the conservative nostrums don't resonate as the real thing — namely, environmental protection — with the public. Here are some examples:

- Accounting: We need cost-benefit analysis in order to determine which regulations will cost more than they will save, argues Kenneth W. Chilton of the Center for the Study of American Business, along with a host of others. To most policy makers, this seems obvious. Yet as an environmental reporter, I have never talked to a parent who bought into this standard. From the poorest blacks in rural Louisiana to the prosperous suburbs of Detroit, I have interviewed hundreds. When you talk about cost-benefit analysis, voters think about putting a price tag on a human life. They don't like that, and they don't like people who do.

- Dubious reforms: Repeatedly, Republicans, with the backing of conservative policy elites, have fought epic battles for regulatory reform, sometimes even getting their legislation signed into law. It's worth asking what has really been gained in this arena. Almost nothing. A case in point is the Unfunded Mandates Reform Act, UMRA, passed in 1995. The law contains this statement: "Any compliance or noncompliance with the provisions of [the law] shall not be subject to judicial review [nor shall] any provision of [UMRA] be construed to be enforceable by any person in any judicial action." In other words, a law fought for tooth and nail by Newt Gingrich's revolutionaries has no enforcement provision. Republicans withstood a withering barrage of environmentalist attacks about gutting the Clean Air Act and trashing the Safe Drinking Water Act in order to pass a law that changed nothing.

- Jobs, jobs, jobs: The macroeconomic models seem clear to me. Environmental protection costs money, money that almost surely would be more efficiently spent in some other way. That means fewer jobs and less wealth for everyone, not just those who pay the onerous costs of environmental protection. But 30 years after the creation of the EPA, this is almost an impossible sell. People know two things: Over the past 30 years environmental protection has been getting more comprehensive, expensive, and strict (Republicans have been telling them so), yet as the regulatory ropes have constricted, the economy has grown more dynamic — the 1980s were better than the '70s, the 1990s better than the '80s, and every sign points to more prosperity in the coming decade (Republicans have been touting this, too). So conservatives are reduced to telling people that their experience is not true. The public is not likely to be picking up those macroeconomic studies any time soon.

- Good news: Every couple of years, a business group pops up to start selling the idea that the environment is cleaner than ever, and we can all just relax. This year's entry is the Foundation for Clean Air Progress. The organization is right, of course, but that doesn't matter. Good trends aren't news, nor do they provide the dramatic tension that juices up a story line. So, no matter how effective the Clean Air Progress folks are at getting their message out, there will always be 10 or 100 times more bad news.

- Junk science: It's all true — every shameless case of covered-up studies, ignored research, stacked expert panels. And it only gets worse by the day. The EPA just lost a court case about tighter water contamination regulations in which the agency announced a standard for chloroform of zero at the same time it admitted that higher levels of the chlorination by-product were perfectly safe according to its own best science. But with the exception of the occasional court victory and public relations triumph, the EPA and environmentalists trundle along secure in the knowledge that their viewpoint is believed by the public over industry arguments 2-1.

- Comparative risk: Conservatives often argue that the actual risks posed by pollutants are overestimated in the public mind and that people would benefit from information enabling them to compare such risks with the risks encountered in ordinary life. The point is that if people understand they are far more likely to die in a freak cooking accident, they won't care so much about the two parts per trillion of dioxin.

  The problem with this approach is that people like walking in the park and are willing to accept its inherent risks — wild animals, bugs, landslides. Most people like the freedom of owning a car and scooting off wherever they want, whenever they want, so they are willing to live

with the risks there, too. People do not, however, like companies that dump wastes into rivers and lakes. They want them to stop.

Can't win for losing

I SPENT TWO YEARS COVERING nothing but the environment and the EPA before it began to dawn on me that there might be a problem with the way conservatives were fighting their environmental battles. Before I became immersed in the subject, I certainly never questioned either our tactics or the value of taking on the agenda of extreme environmental groups as moderated through the EPA.

One series I wrote made things clear to me. In February 1998, the EPA released something grandly entitled "Interim Guidance for Investigating Title VI Administrative Complaints Challenging Permits," which in English means the EPA had decided to apply Title VI of the 1964 Civil Rights Act to environmental permitting. Thus any local environmental group could stifle any development plans requiring some kind of permit from a state or city environmental agency by claiming the project would have a disproportionate impact on minorities. Needless to say, business groups and local governments were more than a bit miffed by the new "environmental justice" policy, particularly since they were blind-sided by its introduction.

In but a couple months of digging into EPA records and interviewing staffers, I found the agency had performed research and then covered up the findings when the conclusions were unwelcome (twice). EPA had hired outside analysts to diagnose an environmental justice problem, but ignored those results too when they didn't come out right. EPA gathered a group of its own lawyers to investigate several individual "environmental justice" complaints, and when those lawyers came back with reports that said there was no problem, they disappeared as well.

But that was only the beginning. EPA ignored its own lawyers' conclusion that they had to go through a formal rule making process to issue the regulations. EPA ignored the recommendation of a senior staff committee that the agency involve local governments and business in drafting the rules. EPA issued more than $10 million in environmental justice grants to local activist groups in a thinly veiled attempt to drum up complaints about environmental injustices while pretending they were paying for "educational" programs.

All this was enough to convince the House Commerce Committee to hold hearings — at which the EPA was suitably embarrassed (and even then, the agency attempted to withhold documents). And in the fiscal 1999 budget, Congress passed and President Clinton signed a small provision that cut off funding for the rules until they were rewritten.

But EPA's embarrassment was not complete. At about the same time the hearings were starting and the House Appropriations Committee was preparing the language to cut off money for the project, the EPA accepted an

"environmental justice" complaint about a proposal for a small steel mill in Michigan. The complaint that minorities would be grievously injured by pollution from the plant quickly became a cause within the agency and among EPA-funded environmental groups. The only hitch was that EPA never bothered to check the demographics of the area around the plant before its meddling had essentially derailed the project. It turned out the area was 95 percent white, far whiter than the state or county as a whole.

One might think that EPA would simply jettison the whole mess and move on to other issues. I certainly thought so; after all, my reporting had shown they were wrong on the law, wrong on the science, wrong on the economic impact, and only had support because they were creating it with multi-million dollar grant programs. (Americorps was even pitching in "volunteers.") And indeed, the project went into a year-long hibernation as the agency organized state governments, cities, and business groups into a committee to give them advice on how to turn the policy into something workable. In due course, the committee delivered a report asking for all kinds of changes and other issues to be addressed. In due course, the EPA ignored the recommendations and, according to staffers at the agency involved with the project, will be releasing the virtually unchanged rules sometime in summer 2000.

Thus a combination of aggressive reporting, congressional hearings, and legislative action managed to achieve exactly nothing in the face of EPA intransigence. There is a pattern here: EPA acts. Conservatives expose the shoddy science and destructive economic effects. EPA gets embarrassed, maybe loses a court case or two. EPA rejiggers its regulations, and we are back where we started — only more than ever, conservatives look like they are anti-environment.

How silly was the Alar ban? Very. But how soon does anyone expect to see Alar back on apples? Remember PCBs? Last fall the EPA admitted in a Federal Register notice that, whoops, it overestimated PCBs' cancer-causing potential by as much as 100 times. I feel safe in saying that a PCB comeback is unlikely. The examples go on and on — passive smoke, acid rain, asthma, and air pollution — all positively refuted, yet all with intact regulatory agendas still in place.

Missing the point

When GOVERNMENT REGULATIONS strip land of all value to its owner in the pursuit of some public goal, conservatives rightly decry the injustice. We're in favor of environmental protection — but not at the expense of property rights and certainly not without just compensation. But when President Clinton announces a halt to development on publicly owned land where mining and grazing and forestry take place only because of outrageous subsidies, Republican politicians react

with indignant anger — as if Montana ranchers have any more right to a lifestyle based on public largess than Chicago welfare mothers. Small wonder, then, that the public concludes that Republicans don't stand on principle any more than politically opportunistic Democrats.

Or consider Republican opposition to Clinton administration attempts to remove grandfather clauses found in the Clean Air Act that allow old power plants to emit far more pollution than modern ones — thus locking in a competitive advantage for the inefficient and dirty while forcing new competitors to pick up the slack. What principle are Republicans standing on? How is this different from union bosses protecting their own at the expense of everybody else?

One popular idea among conservatives with libertarian leanings is to replace environmental regulations written in Washington with common-law remedies based on property rights, trespass, etc. Supposedly, the argument goes, these methods worked for a long time — until the government began squashing those old rights in the name of allowing industrial advancement to take place. The most famous case involves the British government ending the ability of farmers to sue when sparks from passing trains set their fields ablaze. Yet this may be the only case in which conservatives think more lawsuits and more fees for the plaintiffs' bar are the solution to a problem.

The good news is the fact that the environment is nowhere near the top of voter concerns.

So where are Republicans politically? The good news consists almost entirely of the fact that the environment is nowhere near the top of voter concerns. According to Gallup, the environment ranks below crime/drugs, morals/family values, education, economy/jobs, peace, health insurance, and foreign affairs — and equal to poverty and children's issues. And Republicans can sink no lower in public regard on this issue. In a recent Pew poll ranking which candidate would do best on different issues, Vice President Al Gore or Texas Gov. George W. Bush, Bush did his worst on the environment (Gore led 55 percent to Bush's 30 percent).

But it is after the election when things will really start to matter. Even in the face of a Republican lock on the two elected branches of government, if that is the outcome, Democrats will surely deploy their most effective weapon, the mantra "Medicare, Medicaid, education and the environment." On the first three, Republicans are at least armed. On environmental issues, they have nothing. If the past is any guide, the only question about what will happen in the next Congress and under the next president is how far conservatives will have to retreat.

Consider the environmental record of the previous Bush administration, for which we are still paying the price. The record was a mess both for polit-

ical and policy reasons. In politics, environmental issues proved a constant distraction and a drag on the president's popularity. That political drag led to the policy capitulation of the 1990 Clean Air Act amendments.

That law, which bloated the Clean Air Act by 800 pages, was the groundwork for the morass of regulatory overreach that has marked the Clinton administration's stewardship of the EPA. New regulations that curtail "Hazardous Air Pollutants" are now pouring out of the EPA, not because we have new science to show they're dangerous, but because Bush's 1990 compromise defined science and public health out of the question of whether something actually was a "hazardous" air pollutant. Bush's compromise brought us the Clinton administration's new nitrogen oxide and particulate National Ambient Air Quality Standards, which promise to be the most expensive environmental regulations in a decade, but are now fortunately held up in court.

This spring, the Clinton administration finally admitted that one "solution" to air pollution problems, adding the compound MTBE to gasoline, may be resulting in the pollution of ground water across the nation. It wasn't the Clinton administration that paved the way for MTBE, it was the Bush administration and the 1990 Clean Air Act amendments.

Why exactly did Bush agree to this compromise and preside over an EPA largely on autopilot? Largely because he had no politically effective plan of his own to give his "environmental president" rhetoric the teeth it would take to make the public actually believe him. Thus the recipe for more of the same — lots more. In a Cato Institute book, Fred Smith of the Competitive Enterprise Institute has said many of the same things about the Reagan years — no agenda, no communication strategy, only a slow foot-dragging retreat in the face of environmentalist and Democratic success.

"Welfarizing" the environment

THE QUESTION IS what to substitute for this vacuum of policy. The Republican Party's self-styled moderates and a corps of Teddy Roosevelt revisionists argue we should simply do what the public wants — capitulate on almost every level to the most strident of environmentalists.

But that is not what the public wants. What the public wants is for the environment to be protected — on a path to being ever cleaner, with the assurance that people need not worry about the health effects of what they are drinking and breathing. How that happens is inconsequential. In other words, the capitulationist wing of the Republican Party mistakes the distrust of conservatives for a distrust of conservative ideas. They are two very different things.

The problem for conservatives is that the public only seems to hear our ideas when they are useful for fending off some policy initiative proposed by

Democrats and their environmentalist allies. The public hears the conservative voice saying, "I really care about the environment, but we can't do this. So instead, we have this alternative." After a while, they stop believing the "I care" part — perhaps because they only hear it when conservatives are saying no to a proposal for protecting the environment.

This is not fair, of course. It's simply a first impression Republican elected officials create. Lots of things may be happening behind the scenes, and Republican policy alternatives may be just as good for the environment, or better for that matter. The fact remains, however, that Republicans are never pushing a plan to protect the environment; they are pushing an alternative to somebody else's plan for protecting the environment. Before conservatives will have the credibility to win these arguments, we will have to prove we care, and that means advancing environmental protection even when we don't have to fend off the destructive ideas of environmentalists.

I am not the first to say this, but the model for how to approach this issue is welfare reform. For years, conservatives made economic and policy arguments about the deleterious effects of welfare programs until there was no new way to make them. But this discussion was largely philosophical, or at least theoretical. Conservatives only found real political success when we argued from a set of values that the middle of the American political spectrum shared.

Hence a subtle change in the argument. Welfare is not working, we said; we have to rescue people from a system that traps them in squalor and violence. Welfare is not a hand up, it's a cage. The problem is not that we are wasting money, it's that we are wasting lives. Even then, it took years before the public would believe us — until they were sure of our motives. Only then did the political pressure become too great for the Democratic Party to resist. It was then Democrats' turn to propose alternatives to a plan to save the poor.

Liberal interest groups screamed as never before. Clinton administration officials resigned in protest. But years later, there are few signs of any desire to back away among politicians or the public; the conservative solutions Republicans offered are proving their value as caseloads continue to decline. The issue has turned around so completely that under a new Republican president, it is likely there will be a new round of welfare reform on more conservative lines.

Foes and friends

THERE ARE TWO IMPORTANT conceptual problems that conservatives will have to address before we can seize the environmental issue. CEI's Smith identified these in the chapter he wrote for the Cato Institute's book. The first is that every time conservatives attack EPA, the environmental activist groups gain. The reason is simple: American vot-

ers see themselves as environmentalists. And they see two potential standard-bearers for their goals: the federal agency that oversees environmental programs or the environmental "watchdog" groups. If Republicans tear down one, the public naturally looks to the other for guidance. This may explain why environmentalist groups seem almost keen on keeping the EPA in a state of chaos — with unreachable goals of zero pollution, unreasonable deadlines embedded in every environmental law, and a constant barrage of lawsuits. Conservatives must recognize that once we start gaining ground on environmental questions, the most important goal will have to be to rebuild the credibility of the EPA, no matter how galling, simply because it is the only powerful alternative to the environmental grievance industry in Washington, now a $1 billion a year business.

The second problem is to stop thinking of business groups as allies. They are not. With the EPA's tentacles entwined around nearly everything business does, from where factories are placed to how widgets are designed, business has had to go native in order to survive. Consider the basics of cost/benefit analysis. From a business perspective, there are many factors a reasonable company will take into consideration that are far from conducive to good public policy. For instance: What effect will a proposed regulation have on my competitive position vis-à-vis my current competitors? Do I have a technology that will enable me to comply more easily and thus give me an advantage? What impact will this have on my industry compared with competing industries, for instance coal versus oil or natural gas? Does this regulation present a barrier to entry by new competitors? All these issues might make the cost-benefit analysis of some or even many regulatory programs positive for individual businesses or entire industries even though they are destructive of things that many Americans, especially conservatives, value. Perhaps just as important, reform programs perceived as a product of business influence are more politically vulnerable to attack.

Broken laws

HERE, THEN, IS A NEW political approach: The point is not the cost of environmental regulation or the jobs needlessly lost or the sloppy "science" that informs so many of our environmental regulations. Conservatives are angry because Democrats and the environmentalists insist on environmental schemes based on discredited economic and regulatory thinking. It's not that their ideas are bad for the economy — it's that they're bad for the environment and public health. Their rigid, centrally planned scattershot model makes further environmental improvement harder, not easier. Their programs waste money that could be used to make greater environmental improvements faster.

For the proof of this failure, one need only look to the EPA itself. The Clinton administration has been singularly unimpressive in terms of enforce-

ment. For five years, the EPA's enforcement numbers have wavered, with some enforcement statistics like civil penalties up, others down, and still others like criminal cases simply flat — at a time when the American economy has grown by 20 percent and the U.S. population has grown by millions. And the quality of what little environmental enforcement there is has become such a joke that the Clinton Justice Department refuses to follow up on 70 percent of the cases EPA refers for prosecution.

How could this be? As Al Gore and other Democrats who understand environmental policy know perfectly well, it has become too complicated, bureaucratic, and out-of-date to work.

As a result, one of the first things the Browner team at EPA did upon taking over was to change the enforcement office into the Office of Enforcement and Compliance Assistance. And according to a number of stories, most of what that office does now is compliance assistance, not enforcement. Simply put, those strong environmental advocates at EPA decided they would get more done if they led U.S. businesses by the hand and showed them exactly what to do rather than sweep in and sue when things didn't go right. If that's what you have to do — when even Fortune 500 companies with legions of lawyers and hordes of environmental technocrats can't be sure they're obeying the law — you should know you have a problem.

The Clinton administration has made no big priority of environmental legislation.

But Democrats don't have the heart to actually fix what's broken. This spring the General Accounting Office (GAO) released a revealing report on a 1997 claim by Gore's "reinventing government" task force that EPA had undertaken reforms eliminating 25 million hours of unnecessary paperwork annually. GAO says that is true only if you accept cuts in projected growth in paperwork as cuts in actual paperwork. According to the GAO, at no time did the actual EPA paperwork burden on business go down.

Twenty-five million hours is roughly $10 billion a year. Imagine what an intelligently designed environmental program could do to clean the air and water and toxic waste with that much money over 8 years. If they know it's wasted, why don't they care?

The fact that the Clinton administration has made no big priority of environmental legislation should also be a clue to the fact that officials know the system is broken. In eight years, one important (i.e., expensive) piece of environmental legislation has passed — and that through the Republican-controlled Congress in 1996, the Food Quality Protection Act. This about equals the dismal legislative agenda of the previous Bush administration, which was half as long.

The results are showing up in court, too. According to a recent report in *Regulation* magazine, the EPA loses in court twice as often as any other fed-

eral agency. Why? Simply because the tangle of laws, science, regulatory precedent, and the necessary bureaucratic record make challenges to any new regulation assured and second-guessing by the judiciary highly likely. The number of suits is mind-boggling. I started a count of lawsuits mentioned in the Bureau of National Affairs' Daily Environment Report over the past two years and stopped counting at 250 — outright losses and settlements on the plaintiff's terms were approaching 100.

As a result of this broken system — billions in waste, and complexity that drives EPA to hand-holding rather than law enforcement — improvements in air and water quality have trickled in during the Clinton administration at a slower pace than at any time since we began keeping records. Conservatives believe in the rule of law and its fair and strict enforcement. It is as central to a functioning and free society as strong families, thriving private organizations, and strong democratic traditions. Law that is so complicated that even the honest can't comply is broken. The conservative solution to these problems is not only to simplify the laws, but to see that they are vigorously enforced.

So what does a conservative administration do to seize the issue? Rewrite the regulations so they can be understood, so it doesn't take two lawyers, a chemist, and a fortune-teller to decipher EPA edicts. Double the cadre of enforcement and prosecution officials at the EPA and the Justice Department. Once environmental laws are as understandable as those for robbing banks and speeding, prosecution should be just as swift and sure. Ask Congress for a moratorium on all the deadlines in EPA's authorizing legislation so that science and common sense can catch up.

Failed right to know

SOMETIMES IT SEEMS AS IF EPA and the environmentalist organizations don't want to know what's really going on in the environment so they can actually address it — as opposed to carping about it, raising money, and having a campaign issue. For decades, the U.S. has had a national system for monitoring levels of the most dangerous air pollutants. Over the past eight years, the Clinton administration has directly spent and required corporate America and local governments to spend more than $1 trillion on environmental protection. Do we have a similar water monitoring system? No. Do we have plans for one? No.

What we have is an inconsistent state by state effort generating data that are incomplete and unreliable, making trends indeterminate year by year even in the same state. In any systematic way, we have no idea whether all our efforts are doing any good — except by anecdotal examples like bird egg samples.

Or consider the Toxic Release Inventory, supposedly a triumph for the public's right to know. Most of the chemicals that have to be reported are on

that list because they were compiled for another list by lawyers as part of a lawsuit involving the EPA. In other words, there hasn't really been any independent scientific review of whether these chemicals are actually toxic in the first place. Even the numbers themselves in the Toxic Release Inventory are mostly fictional — well-meaning, government-approved fiction, but still fiction. Companies use one of numerous government-approved estimation techniques to determine what their facilities are spewing into the environment. Spot checks are flimsy, updates optional. And the techniques have changed over time, so trends are an iffy bet. What if a plant leaks or spills? Maybe it will be included, maybe not.

This state of affairs turns out to be great for everybody. Activist groups can slice the data one way to scare donors and the public while demanding more regulations. Business can cut the data another and claim victory against the forces of darkness. And the EPA can cut it yet another way to say the agency needs more money and power. Good public policy is the only loser in the haze. This ought to be easy for conservatives. Nobody can make good decisions without good information, and if we're serious, this is something we should be willing to pay for. Business and other polluters should provide accurate accounts of their own activities. What does a conservative administration do? Require business and the states to provide information — standardized so that it can be compared across time, across facilities, and from state to state. Maybe it will be expensive, but no more so than basing important public decisions and political debates on "facts" that all the participants know are no such thing.

Business and other polluters should provide accurate accounts of their own activities.

Science races by

THE WORLD WE KNEW in the 1970s is far different from the one we live in today, and much of that change is due to science and technology. To read through clippings from the early 1970s from the newspaper for which I covered EPA, the *Detroit News*, is to enter a strange time warp. The most esteemed figures in science were warning that the oceans would be devoid of all life within a decade, famine would wrack the world, the globe would cool. Public health officials for the city of Detroit were predicting that the health scourge of the 1980s would be "laser pollution." Yet much of the structure of today's environmental laws was written back then — with only minimal and sometimes counterproductive updating since.

One of the most obvious failures of the time was the decision to divide

pollution regulatory authority by place — air, water, or land. These seemed to be obviously different problems then. Today we know that air-pollution-curing MTBE pollutes the water, air pollution scrubbers produce solid waste that has to be disposed of, and when water pollution controls get too tight, companies find a way to send the same stuff up the smokestack or out the back door in a dump truck.

In the mid-1970s, environmentalists could say with a straight face that public health was seriously at risk from pollution. "It is now widely accepted that cancer is an environmental disease. Estimates by the World Health Organization, the National Cancer Institute, and other authorities in carcinogenesis suggest that most human cancers, perhaps as many as 90 percent, are caused by chemical carcinogens in the environment," wrote the Environmental Defense Fund in its January 1975 newsletter. Advances in genetics and a host of other fields show that that is nonsense.

One failure was the decision to divide regulatory authority by place — air, water, or land.

Today, the unspoken fact is that almost every public health scourge blamed on environmental pollution in the 1970s is roughly the same as or worse than it was. Cancer rates are roughly flat when you take out the impact of decreasing smoking. Birth defects are up slightly. Better data exist for low birthweight and premature births, and these are also up slightly. Asthma is going through the roof, up 200 percent. At the core of nearly every environmental law is a trigger for new regulatory action that rests on the perceived threat to human health. And indeed, every day scientists release new studies linking some pollutant to a public health problem. Yet after millions of regulatory actions and vast improvements in air and water quality and a landscape purged of toxic dumps, health is changing little.

Something isn't working, and a conservative administration would seek to find out what that is. It would take money. And acting on the clear fact that our old ways of getting things done have failed, a conservative administration would have to honestly pursue wholesale revision of the environmental laws accordingly.

Regulatory minutiae

If you spend much time immersed in environmental policy, you're going to come across these two sets of letters: NSR and BACT, New Source Review and Best Achievable Control Technology. They are perfect examples of well-meaning big-government mandates that have forgotten their very purpose.

The programs work like this: When a company wants to make changes to an old factory or power plant that already has a pollution control permit, first it has to determine whether the changes are big enough to make the plant a "new source," and thus subject to newer, more stringent environmental requirements — the "best achievable control technology." Typically, a company goes to its state government with its plans and asks whether it falls under NSR. If the state says no, the EPA can join in and second-guess the state decision. The whole process, including court disagreements, can take years. If the plant ends up classified a "new source," the state and the company have to decide what the BACT is — which isn't always obvious, since available technology changes every day. What another plant did with EPA approval last month isn't always good enough this month.

NSR and BACT have turned into a hunt to comply with a maze of rules and court decisions in order to avoid having construction plans overturned at the last minute when the EPA intervenes. In the months of up-front effort, rarely does the question turn on whether the plant will pollute more or less after the change. The hunt for bureaucratic acceptance trumps the quest for a better environment. The standard under a conservative pro-environment administration shouldn't be NSR and BACT. It should simply be: Get better. Have a plan to keep getting better with independent monitoring. If it's too expensive for you to keep improving, pay someone else to do it for you.

Rules like NSR and BACT, in which environmental protection has become secondary to layers of mandates and precedent, should be among the first to go, but to be replaced by what? This is the hard part. Given the political commitment of the public to environmentalism and the web of laws written over the last 30 years, a new conservative administration will have to rewrite regulations. One conservative approach has been to incorporate market mechanisms. A handful of working programs, including tradable permits for emitting sulfur dioxide, are developing a good track record. But do we believe our free-market rhetoric? The benefit from market mechanisms in environmental protection ought to be that we can require significantly higher environmental standards, implemented at a faster pace — not that business will save money.

Changing minds

IT IS NO SMALL THING to try to change voters' impressions, especially on issues on which Americans' minds seem as firmly made up as they are on the environment. Yet such changes can take place. After Jimmy Carter and Walter Mondale and Michael Dukakis, who would expect that Al Gore would be in a statistical dead heat with tax-cutter George Bush on dealing with taxes and the economy? (According to the Pew poll, Gore is ahead on those issues with the public by 2 percent and 1 percent, respectively.) Democrats have not surrendered on core Republican

issues. Republicans should not walk away from fighting over Democrats'.

We don't have to desert conservative principle to do so, nor the well thought-out policy ideas coming from a host of conservative think tanks and researchers. But we do need to put forth a positive environmental agenda and defend it against the billion-dollar environmental lobby that thrives in and on failure. Just as liberals were trapped by the demands of their welfare lobby, they also are trapped by the demands of their environmental lobby. Only a conservative agenda for the environment offers hope for the progress that Americans want. For 30 years conservatives have been in a political rut, alternating opposition and capitulation mixed with denial. It is time to climb out.

The Guns of Brussels

Burden Sharing and Power Sharing with Europe

By JOHN C. HULSMAN

THROUGHOUT HISTORY alliances have been made and unmade, joined and dissolved, based upon the strategic calculations of their individual member states. It is a commonplace that no alliance has survived victory; once the specific goals of an alliance have been satisfied, its members lose their common strategic vision, the glue that has held together their entanglement in the first place. So, on the face of it, it would seem to be folly to expect the North Atlantic Treaty Organization (NATO) to confute both history and common sense. Yet some ten years on from the end of the Cold War that was its reason for being, NATO has not only survived but continues to be the most successful alliance in history.

Which is not to deny the real and perilous problems that NATO must confront in coming years. One of the biggest of these is the enduring and debilitating problem of the relative weight of the European versus the American commitment of resources to the alliance and the relative weight of the say Europeans versus Americans have in the alliance's decision making. Proof of

John C. Hulsman is senior European policy analyst at The Heritage Foundation.

the enduring nature of the problem is evident in the recent resurrection of the idea of creating a European pillar within NATO. At a 1998 conference in Saint Malo, France, European members of the alliance agreed to a proposal for defense cooperation conducted through the European Union (EU) in Brussels, the seat of European aspirations for greater transnational unity and cooperation. Thus was the idea of a European Security and Defense Policy (ESDP) born.

Saint Malo was quickly followed by NATO's operation against Serbian aggression in Kosovo beginning in March 1999. The Kosovo campaign significantly hastened the process begun at Saint Malo by forcing the Europeans to recognize the growing gap between American and European military capabilities. This newfound momentum culminated in an EU conference in Helsinki in December 1999, at which EU member states agreed to create a 60,000 man rapid reaction force in order to conduct missions, perhaps like the one in Kosovo, without relying on American participation. Today, the leading allies in the EU are seeking to make ESDP function as the European pillar within NATO. How the rest of NATO, particularly the United States, responds to these initiatives may well determine the future of the alliance.

Trojan horses?

TWO IMAGINARY TROJAN HORSES currently stifle NATO reform. The Europeans fear that American efforts to cajole them into bearing a greater share of the military burden are based on a fundamentally isolationist strategy to bring the boys home. On the other hand, some Americans fear that the EU views ESDP as a tool to liberate Europe from American domination and become a global counterweight to U.S. preeminence. Fortunately for the alliance, neither of these fears is based on reality.

While there is considerable frustration in the halls of Congress regarding the burden sharing chasm between America and its allies, no one this side of Pat Buchanan wants to withdraw from Europe. There is simply no political movement of any kind in this direction. The danger is more subtle and long-term than this European fear acknowledges. In the long run, failure to reform the alliance and more equitably distribute burden sharing costs is a real threat to NATO's viability. Support for the continuance of the alliance will not prove politically tenable over time in either American political party if defense spending within the alliance continues to vary as widely as it did in 1998. In that year, U.S. defense spending accounted for 3.2 percent of GDP, while France spent 2.8 percent of its GDP, the UK 2.7 percent, Italy 2.0, Germany 1.5, and Spain 1.3 percent. These numbers speak volumes. The old European fear of America urging burden sharing reform in order to quit the continent is entirely unfounded. Rather, the opposite is true: More equi-

table burden sharing within the alliance will encourage American military involvement on the continent, as it makes the American outlay of resources more politically palatable.

The second Trojan horse is more significant. Lord Robertson, secretary general of NATO, has acutely summed up this fear in an interview with the *Washington Post*: "The U.S. suffers from a sort of schizophrenia. On one hand, the Americans say 'You Europeans have got to carry more of the burden' and when the Europeans say, 'OK, we will carry more of the burden,' the Americans say, 'Well, wait a minute, are you trying to tell us to go home?' " Indeed, in the wake of Kosovo and the European resolutions to do more, epitomized by the ESDP initiative, there has been a contradictory and muted response from the United States. John Bolton of the American Enterprise Institute warned in the *Financial Times*, "If the Europeans desire and then achieve a separate unified military capacity without recourse to the U.S., they will have eliminated the rationale for NATO as we have known it." Surely, given the avowed French desire to escape the yoke of "hyperpower" dominance, such a decoupling would herald the end of NATO?

Britain and Germany will surely see that France does not make a Trojan horse of ESDP.

Such fears founder on two basic points. First, it is not at all certain that French fears of overweening American dominance translate into a coherent national desire to subvert NATO. It seems far more likely that French opinion is genuinely divided on the matter. As Defense Minister Alain Richard was quoted in the *New York Times*, "If Europe takes on more responsibility by building up its military strength, that will contribute to the long-term equilibrium of the alliance." No ardent American supporter of the alliance could have put it better. Besides, why would the other European members of NATO go along with an insidious French plot to subvert the alliance, were there such a thing? As Elizabeth Pound noted in *Foreign Affairs* regarding the motivations for ESDP, "the Europeans have differing goals: the French would like to cut the hegemonic 'hyperpower' down to size, whereas the British and the Germans want exactly the opposite — relieving the U.S. of enough of its burden in Europe to prevent an isolationist Congress from someday yanking U.S. troops home in disgust." If a coherent European defense force is to flourish, the French will need the closest possible relations with Germany, the economic powerhouse of Europe, and Britain, which possesses the most advanced, experienced, and probably the best military on the continent. It is hard to see how French desires (if that's what they are) are going to prevail, especially given that both Britain and Germany are entering into ESDP largely to keep America involved with Europe. Britain and Germany will surely see that France does not make a Trojan horse of ESDP.

Second, even if France was somehow able to magically overcome German and British objections and convince the two to abandon their long policy histories in pursuit of the closest possible strategic ties with America, ESDP would still come up short as a threat to destroy the alliance. As Defense Minister Rudolf Scharping of Germany put it, "In the transatlantic Alliance we do not have too much America, we have too little Europe." Those who fear ESDP have it backwards. The problem for Europe, as history and current levels of expenditure show, is not that it will do too much regarding defense spending, which is the only way ESDP could develop to the point at which it would threaten to make NATO superfluous; it is that Europe consistently does too little. As Foreign Minister Joschka Fischer of Germany reasonably noted at a February speech in Munich, "Europe's security and defense policy will continue to be on a much too modest scale to really worry the U.S."

The forgotten EDC

THIS IS NOT THE FIRST time Europe has attempted to establish a pan-European defense force — nor the first time America has had to respond to such an initiative. The first major attempt to bolster the European pillar was a 1950s proposal for a European Defense Community (EDC). The history of the EDC provides many clues about the problems of burden sharing and power sharing. It is indicative of both the depth of the real NATO reform problem and the degree to which both poles, European and American, yearn for it to be solved.

Tensions relating to burden sharing within the alliance have been the snake in the garden for NATO since its inception. Before the Korean War brought a massive American conventional buildup in Europe, the Article V commitment for collective self-defense rested almost entirely on the American nuclear guarantee to Europe. As a prostrate Europe began to recover economically from the devastation of World War II, pressures grew to make the alliance more equitable, as well as to diversify the military options open to NATO in the event of a Soviet attack. Before leaving to become the first Supreme Allied Commander, Europe (SACEUR), Gen. Dwight Eisenhower stopped by Secretary of State Dean Acheson's office for a briefing on European affairs. What Acheson told Eisenhower has a contemporary ring. Acheson felt that one of NATO's greatest problems was political: "The U.S. Congress would not support a major effort in Europe if the Europeans did not pay their fair share." Burden sharing problems have imperiled the political cohesion of the alliance from the beginning.

A recovering Europe was well aware of political tensions within the United States over burden sharing. In fact, one of the major reasons for the attempt to establish the EDC was the recognition among Western Europeans that they had to be seen contributing more. EDC advocates argued "that the

U.S. would not indefinitely maintain their troops in Europe if the Europeans refused to prepare and to participate in their own defense," in Raymond Aron's words. The impetus for the establishment of the EDC almost foreshadows the drive to create an ESDP. In both cases, the European allies came to the realization that they must act collectively to forestall American complaints about unequal burden sharing. The primary difference between the two cases lies in the historical era in which they occur. During the Cold War the preponderance of the American commitment to NATO (in terms of men, materiel, and money) was deemed a reasonable price to pay in order to secure the fundamental interest of preserving Western Europe from communist domination. Put simply, while NATO reform was desirable from an American point of view, it was not essential. With the passing of the Cold War and the absence of the Soviet threat, this American geopolitical calculation has changed, while European defense habits have not. Kosovo has been a real watershed in NATO's ongoing saga precisely because it exposed strains in the alliance at a time when there is no discernible immediate threat to rally a disgruntled America to overlook Europe's unequal burden sharing efforts. This makes the burden sharing controversy a real threat to the continued viability of the alliance. Whereas the establishment of a genuine European pillar through EDC would have been desirable, in the new era ESDP is crucial.

The American geopolitical calculation has changed, while European defense habits have not.

The European response to the earlier burden sharing crisis, EDC, was embodied in the Pleven plan, named after the premier of France. The plan was based on seven basic points. First, France accepted German participation in the EDC. Second, the German contribution could only be made to an integrated European army at the lowest organizational level. Thus, military integration was to occur at the regimental level rather than in the form of the fusion of different European countries' corps or armies. The EDC signaled the merging, under supranational units, of a polyglot army of the Western European states for the defense of their region. Third, the EDC must be linked to democratically elected European authorities. Fourth, the EDC's executive work was to be entrusted to a minister of defense, with a Defense Council to assist. Fifth, the EDC was to be financed through a common budget. Sixth, the European army would be used to fulfill the allies' Atlantic commitments in NATO. Seventh, with the large exception of Germany, member countries retained the right to possess military forces exclusive of their contribution to the EDC and could petition the European defense minister for the temporary release of their national contingent of EDC forces during times of crisis. There were two further tacit points underlying the EDC plan. First, West Germany would not be admitted directly into NATO. In the Truman administration's

view, Pleven's government, which had formally proposed the EDC plan, was to be given this as a diplomatic reward for allowing German rearmament within the context of this all-European army. Second, the U.S. pledged to develop an active conventional presence in Europe to insure against German treachery. Thus, the American conventional commitment to Europe, a major characteristic of Cold War defense strategy, arose primarily in response to events in Korea and intra-Western European politics, rather than to an immediately enhanced Soviet threat to Western Europe. This was not to be the last time that military commitments epitomized the underlying political relationships within NATO. This same linking of military capability to political commitment is currently driving the post-Kosovo burden sharing controversy.

Structurally and politically, the EDC project exhibited fatal flaws from the start.

Architecturally, the EDC was probably doomed from the beginning. As with ESDP, the EDC's organizational relationship with NATO was initially very vague. The dominant ideological school of thought underlying the European integration experiment is known as functionalism, the emphasis of which is on the development of political cohesion rather than agreement on final plans. The very vagueness of functionalism is a political tool designed to make its policy outcomes become all things to all people while they are being negotiated. The theory is that momentum generated by bringing disparate political groups together in pursuit of vague aims eventually locks the parties into agreement once the policy finally becomes clear. As doctrine, it is the triumph of process over precision.

The EDC experience illustrates there are significant drawbacks to pursuing such a strategy. After the release of the Pleven plan, subsequent negotiations made it clear that the EDC would not be the vehicle for the rise of a genuine third great world power, as many leaders of France at the time desired. It was decided at the NATO Lisbon Conference of February 1952 that the EDC would coordinate with the alliance, but somehow operate separately from NATO. This view was matched by a contrary one which saw the EDC as nothing more than the active European military arm of NATO, and thus under full NATO control. This discrepancy exactly mirrors the different conceptions of ESDP that have sprung up in Europe since the Washington summit in 1999. The functionalist language of the Lisbon conference eerily echoes the current mantra regarding ESDP: "separable, but not separate." While such a distinction is interesting for theologians, in practice "the EDC remained subordinate to NATO, and within NATO, U.S. influence remained preeminent," as Melvyn Leffler described it in *A Preponderance of Power* (1992). Obviously, this is not what the French had in mind. It also explains subsequent French attempts to destroy their own creation. What the French perceived as a ticket to superpower status ended up merely buttressing an

American-dominated NATO. This is a lesson current American policy makers would do well to consider when pondering the merits of ESDP.

Structurally and politically, the EDC project exhibited fatal flaws from the start. In order to limit the chances a revived Germany could somehow use the EDC to establish a Fourth Reich, a quasi-governmental structure was to be established around the European army: a commissariat, council, assembly, and court — a structure very like the European Union of today. The great difference between the attempt to establish the EDC then and to start ESDP now is one of time and organic growth. The echoes of the war and the lack of a history of close European policy coordination made the EDC too revolutionary for its time. Encouraging supranational political and military institutions to spring up was simply too great a leap of faith for Europeans who could remember the horrors of World War II all too well. The chances for the success of the ESDP must be reckoned much greater, as the EU has come before this attempt at military coordination; the organic growth of common mechanisms for policy decision making and common patterns of political coordination have had 50 years to come to fruition. In this sense, a resolution of the burden sharing and power sharing dilemma has had to await the organic development of European policy coordination.

The American response

As IS TRUE of the current American response to ESDP, the Truman administration was initially of two minds about the Pleven plan. At first, many in the Truman administration, including Joint Chiefs Chairman Omar Bradley, felt the Pleven plan rendered NATO totally inoperable, as it precluded U.S. participation in an all-European defense force. Bradley feared that the mechanisms for coordination, the very cornerstone of NATO, would be imperiled by the vagueness of the EDC's structures and the lack of direct coordination between the American military and individual Western European countries. In the end, led by Acheson, the Truman White House grudgingly supported EDC, notwithstanding private doubts, so as not to antagonize its Western European allies.

With the advent of the Eisenhower administration, the U.S. changed its stance from tacit, skeptical support for the EDC to a more enthusiastic position. For Eisenhower, the EDC was the best mechanism available to push the Europeans to spend more on defense; in other words, Eisenhower's support for the EDC was based on his desire to correct burden sharing discrepancies within the alliance. In *Eisenhower* (1990), Stephen Ambrose neatly sums up the president's strategy: "Eisenhower's high hopes for EDC involved not only what he felt it would accomplish for Western Europe, but also the promise it held for the U.S. A closely linked Western European community, held together by economic and military ties, protected through NATO by the

American nuclear umbrella and through EDC by numerous all-European ground divisions, would not only be a source of security for the world but would end the need for MSA [Mutual Security Assistance] funds." Eisenhower presciently saw the EDC as a way to more equitably recalibrate burdens and responsibilities within the alliance, a state of affairs that would allow the U.S. to be more flexible geopolitically and financially. It is this forward-looking point of view that current decision makers should rediscover today.

In the end Eisenhower's astuteness came to nothing. The French National Assembly voted down the Pleven plan in August 1954 by a vote of 319-264. This was at least partly because the French, like Eisenhower, realized that America had by far the better part of the deal. As Richard J. Barnet wrote in *The Alliance* (1983), "French support for an idea devised by Frenchmen and initially scorned by the Americans ended as the reality of the scheme became clear in negotiations: The NATO commander, inevitably a U.S. general, would have veto power over the deployment of French troops." An EDC under the NATO umbrella entirely suited the United States while thwarting French dreams of a more independent role for Europe (read: France) around the globe as a "third force." An EDC within the overall control of NATO meant that the United States would remain dominant in the alliance, even if the Europeans marginally gained more power within it also. Given the preponderant nature of American power vis-à-vis its European allies in the early 1950s, this very marginal loss was well worth bearing, as the U.S. was to be the beneficiary of more equal burden sharing. Had the Pleven plan been adopted, the United States would have had the best of both worlds.

It is in America's interests to support the development of the European pillar.

The EDC experience should make it clear to all that, as in the time of Eisenhower, it is in America's interests to support the development of the European pillar. The incoming administration should study this history and follow Eisenhower's lead in seeing that ESDP (like the EDC before it) is a ticket to substantially increasing America's global military and political maneuverability in return for the very sustainable cost of greater power sharing.

It is extremely unlikely that the Europeans will ever be willing to do enough in the way of burden sharing to merit an equal decision making say within the alliance. A more equitable but not equal alliance promises to be the best of all possible worlds for the United States. A reformed NATO will more easily adapt to the post-Cold War era, while allowing the U.S. to attend more effectively to its other global interests. The more equal burden sharing posture will also prove politically popular in the United States.

Given the 50 year organic growth of European efforts at policy collaboration, the building of a sustainable European pillar is an idea whose time has finally come.

Kosovo as a wake-up call

THE KOSOVO CAMPAIGN catalyzed the drive to ESDP by revealing that NATO's conception of an equal alliance, always an ideal, now has no bearing on military realities in Europe. America dominated the operation because Europe was incapable of dealing with a military challenge in its own backyard.

U.S. intelligence assets identified almost all the bombing targets in Serbia and Kosovo; nearly every precision-guided missile was launched from American aircraft. Technologically, the European contribution to the allied effort was deficient due to a lack of computerized weapons, night-vision equipment, and advanced communications resources. American Air Force Gen. Michael Short, who oversaw the NATO bombing campaign, has since said that the deficiencies of the European aircraft were so glaring — for example, their lack of night-vision capability and absence of laser-guided weapons systems — that he curtailed their missions to avoid unnecessary risk. If this trend is allowed to continue it will have devastating consequences for the alliance. As U.S. Gen. John Sheehan, former Supreme Allied Commander, the Atlantic, noted in a speech to the North Atlantic Council of the United States two years before Kosovo: "The technological gap is increasing between the U.S. and Europe. Soon the other members of NATO will be little more than constabulary forces, with the U.S. possessing the only genuine modern army." It is this inequity that threatens to drive a stake through the heart of NATO.

"The technological gap is increasing between the U.S. and Europe."

The political tensions felt on both sides of the Atlantic regarding burden sharing and power sharing can be summed up succinctly: Americans resent being asked to shoulder more than their fair share of the military burden, while Europeans resent being dictated to by the United States. Rather than participating in another futile round of finger pointing, both pillars of NATO need to use the realizations of Kosovo to spur them on to achieving lasting reform.

Strikingly, frank acknowledgement of this technological discrepancy has emerged as the consensus opinion among European decision makers. As German Foreign Minister Fischer has lamented, "The Kosovo war was mainly an expression of Europe's own insufficiency and weakness; we as Europeans never could have coped with the Balkan wars that were caused

by Milosevic without the help of the U.S." Europe's newfound understanding of its weaknesses has led to a reinvigorated attempt to build a true defense capability. This is precisely what the U.S. should desire.

The ESDP present

While Kosovo was undoubtedly the catalyst, the current NATO reform movement predates the war in the Balkans. The real beginning of the drive was a conference in Saint Malo in December 1998, where Prime Minister Tony Blair turned his back on 50 years of British skepticism and agreed that the European pillar of NATO should be built using the EU as its base. This at last put the British position in line with French desires for NATO reform. The end result of Saint Malo and Kosovo was the Helsinki summit in December 1999, which laid the institutional framework for ESDP. At Helsinki, the member states of the EU agreed to meet a headline goal in three years. By 2003 they wish to be able to deploy a force of 60,000 trained rapid reaction troops, available within 60 days of the order, able to be sustained in theater for at least a year. To accomplish this, an additional 60,000 troops would have to be at the ready to reinforce the deployment as part of a six-month rollover. The EU created three committees to manage this force. A political and security committee is to coordinate day-to-day running of the EU's foreign and security policy; former NATO Secretary General Javier Solana heads this effort. A military staff is to be composed of attaches from all 15 national governments. Last, a military committee comprised of the member states' chiefs of defense is to advise the EU on military matters.

While there is some institutional structure supporting ESDP, a new governmental structure is unnecessary. This is because a political structure, the EU, already exists; in addition, ESDP is not a European standing army, but really a rapid reaction force. A new supranational edifice is simply unnecessary for this limited reform. At Helsinki, prodded by Britain, Germany, and the Netherlands, it was agreed that there would be a high degree of transparency between NATO and the EU security committees. This has been interpreted to mean different things by different people, but many commentators have concluded that, in the end, it will lead to the adoption of a NATO right of first refusal for out-of-area action: only after NATO has declined to intervene could ESDP be activated. In addition, the British and the French have proposed that the Deputy Supreme Allied Commander for Europe (DSACEUR) have a permanent seat on the military committee in exchange for an EU member sitting in on NATO military committee meetings. Thus ESDP is in many ways a far more modest proposition than was the EDC; it bears witness to the earlier overly ambitious failure.

The first basic reason for the creation of ESDP was as a political bolster to NATO. As Lord Robertson observed in a January speech, "For the long-term

health of NATO, the burdens, costs and the risks must be shared, and shared equally." The unequal division of labor between the U.S. and its European allies, illustrated by the war in Kosovo, represents a flawed strategy. It sets an awful precedent for the future of the transatlantic alliance — with the U.S. "doing" the war and the Europeans "doing" the peace. Form is all too likely to follow function if such a division persists; the Europeans will look at future conflicts from a peacekeeping perspective while Americans adopt a war-fighting point of view. These functional differences will result in intractable political schisms that could well spell the end of NATO. A permanent two-tier NATO in the post-Cold War era will doubtless exacerbate already divergent perspectives between the U.S. and Europe regarding defense and foreign policy issues.

Far-sighted Europeans see this danger clearly. Prime Minister Blair, commenting in reference to Kosovo and ESDP, said, "We Europeans should not expect the U.S. to play a role in every disorder in our back yard." An America resentful of a Europe not pulling its weight, engaged in missions, as in the Balkans, where its interests were not nearly as paramount as those of its European allies, is an America far more likely to worry that the NATO commitment has become an entangling alliance. The U.S. ambassador to NATO, Alexander Vershbow, echoed this sentiment in a speech in January 1999: "A robust ESDI that preserves the transatlantic dimension will make both Europe and NATO stronger, and it is essential to sustaining U.S. support for the alliance as a whole." Decision makers on both sides of the Atlantic were reaching the same strategic conclusions even before the war in Kosovo. Helsinki was thus the culmination, not the beginning, of a process designed to revitalize NATO politically as well as militarily.

An America resentful of a Europe not pulling its weight, is an America likely to worry that NATO has become an entangling alliance.

The second more directly military rationale behind ESDP was the desire to give the European member states of NATO a greater degree of strategic maneuverability. Whereas the British enthusiastically embraced the first reason for ESDP, this second rationale was of particular importance to the French. An increased European military role would have significant political ramifications. As Defense Minister Alain Richard has noted, "Now the EU is stepping up to its responsibilities and over the next few years will become a genuine actor on the scene, one that did not exist before." Other European countries not sharing this grand design for ESDP still found it useful to place more policy instruments at the disposal of the EU. As Lord Robertson has commented, "If the North American allies do not want to get involved in addressing some purely European security challenges, the European allies

will still have the option of addressing these challenges on their own." A Europe able to field a significant military force of its own would have the freedom to attack crises in its immediate vicinity with more than just sanctions. This view of ESDP sees it as little more than a sort of enhanced Combined Joint Task Force (CJTF), a formalized European coalition of the willing prepared to give the EU more diplomatic and military options in the event a crisis affects European and not American interests.

ESDP's long road ahead

OBVIOUSLY, THESE TWO VIEWS of ESDP are very different in terms of scope and degree. The creation of ESDP is yet another example of the functionalist strategy of making a policy seem all things to all people. Yet the policy cannot, in the end, be both a geopolitically altering event and a mere refinement to the alliance; one group currently supporting ESDP may find that it has not gotten what it has bargained for. Disillusionment likely will follow, and if it finds expression in political terms, that could well lead to the end of the initiative, much as occurred with the EDC.

There are two other major difficulties threatening ESDP. First, there is a real question as to whether the new institution serves any real practical use. As the *Economist* remarks, "it is hard to imagine which missions, if any, the Europeans might take on that are small enough not to need the U.S. alongside, yet big enough to justify expending so much high-level political and military attention." With the possible and unlikely exception of Montenegro (unlikely because America would most probably intervene if Milosevic invaded his small neighbor), American and European military interests are more compatible than they have been in a long while regarding continental Europe. There are few cases left in which conflicting American and European interests could compel the activation of the European rapid reaction force rather than direct NATO involvement. Since American pressure to ensure NATO has the first right of refusal in any out-of-area brushfires is likely to succeed, it is very hard to see how ESDP can practically enable the Europeans to acquire the capacity for freedom of action that the French so fervently desire. It is far more likely that ESDP will prove to be merely a way to coordinate an increased European defense effort within NATO — which from the point of view of the United States must be reckoned a good thing. The very limitations of ESDP, far from proving a problem for the United States, are one of the more attractive features of the plan from an American perspective.

The danger is, as always, that the Europeans will do too little, not that they will do too much. After Helsinki, U.S. Defense Secretary William Cohen voiced this perennial American fear, wondering, "Where are the resources to match the rhetoric?" Javier Solana, the coordinator of the new

EU Common Foreign and Security Policy, finally voiced what all responsible analysts have known since the ESDP idea was first discussed. "In the short and medium term we [the Europeans] will have to increase defense budgets." Given current political attitudes in Europe toward increased defense spending, this must be seen as unlikely. There is a basic reason for this, beyond the obvious political unpopularity in Europe for defense spending. It is important to see that increased European defense spending is the first step in the European integration process that will actually *cost* the Europeans money rather than make them more prosperous. The EU has been a vehicle for Europe's material gain, not a symbol of sacrifice. This psychological factor is a major reason why significant defense spending increases are unlikely.

Indeed, the backtracking is already starting. Gen. Klaus Naumann, Chairman of NATO's Military Committee during most of the Kosovo crisis, told defense ministers and generals at a Brussels symposium that Europe will need something like 10 years to build up a real capability to intervene militarily. The greatest danger to NATO is that ESDP will prove to be yet another project in which European rhetoric is not matched by increased capabilities.

A larger compact

ESDP CAN SERVE another vital function; as part of a larger strategic compact between the American and European poles of the alliance. To some extent the controversy surrounding ESDP misses this larger point: A more comprehensive bargain involving the U.S. and its European allies based around the issues of burden sharing and power sharing can reinvigorate NATO.

Almost all of the alliance's long-term problems stem from the overarching dilemma of burden sharing and power sharing. The U.S. has always contributed far more than its share to the bargain. Kosovo illustrated that the burden sharing imbalance has become critical. European military hardware is significantly inferior to American with regard to strategic transport and logistics (C-17s, rapid sealift, inflatable fuel tanks, forward repair facilities); intelligence (satellites, sensors, computers); and high-tech weaponry (precision-guided explosives, cruise missiles). Thus compatibility problems, always the bane of this uneven alliance, have grown worse. As the *Economist* puts it, "compared to U.S. forces inspired by the 'revolution in military affairs' that promises perfect knowledge of everything on a battlefield, Europe's static conscript-dependent forces look increasingly like dinosaurs. Western Europe's defense budget is almost two-thirds that of America, but it produces less than one-quarter of America's deployable fighting strength." For example, of 5,000 military aircraft available to Western Europe's armies for deployment for air strikes, barely 10 percent are capable of precision bombing.

If anything, the technological discrepancies pale next to problems relating

to "lift," the ability to transport a fighting force. Europe, in the words of the Western European Assembly (the parliamentary arm of the soon to be defunct Western European Union), has ceded "a virtual monopoly" in this field to the United States. While unglamorous, logistical lift is probably the key component in fighting a war in the post-Cold War era. Just as the British navy's ability to provide its forces with lift in the nineteenth century was the key to the success of its empire, so the American ability to quickly place its troops anywhere in the world is the crucial reason for U.S. military dominance. This is also the basic weakness of European defense forces. As Michael O'Hanlon of the Brookings Institution explained in the journal *Survival*, "Today, only the U.S. is in a position to deploy large numbers of forces well beyond its national borders and operate them for an extended period. Europeans are not only very limited in the amount of force they can project beyond Europe, but they must also depend heavily on the U.S. in more nearby places like the Balkans."

European defense establishments must spend more wisely, but they must also spend more.

European defense establishments must spend more wisely, but they must also spend more. The major reason for European technological deficiencies is that they simply do not devote enough resources to research and development. The U.S. spends nearly four times as much as the European allies on defense R&D. These numbers speak for themselves. Poor procurement decisions do not convincingly explain the totality of the technological gap between the two pillars of the alliance; an insufficient financial commitment on the part of the Europeans is also a significant part of the problem.

There have been efforts to address this fundamental problem, but they have fallen short of the mark. At the Washington summit in 1999, the member states of the alliance signed the Defense Capabilities Initiative, which attempts to provide a common concept of operations for the future battlefield. The initiative points to a future in which force postures are less dependent on overly large standing armies, with more emphasis on deployability and sustainability. The document notes: "It is important that all nations are able to make a fair contribution to the full spectrum of Alliance missions regardless of differences in national defense structures." Unfortunately, it simply does not tell us how to get there. It is an aspiration, not a plan. NATO defense ministers met in December 1999 to try to advocate measures to give substance to the initiative, but failed to come up with details. Burden sharing should entail close military coordination, shared risks and responsibilities, and common experiences among allies. Until a concrete plan explains how these concepts will be realized, the effort will remain rhetorical.

The other half of the equation, power sharing, has not been adequately

dealt with either. This is where ESDP is critical to the NATO reform process. Solana sees the link between burden sharing and power sharing: "It is true that the U.S. may lose some leverage as Europe gets stronger, but that is inevitable and by no means an unhealthy thing, because a strong Europe can relieve some of the burdens carried by the world's only superpower.

The way forward is simple. The European pillar must increase its financial and military contribution to the alliance while being given a greater amount of power within NATO. Likewise, while the U.S will benefit from being able to decrease its transatlantic defense burden, it must consent to the Europeans having a greater role in how the alliance is run. This fundamental tradeoff must underlie any successful NATO reform plan.

Elsewhere, I have proposed that the Europeans agree to modernize their armed forces by raising defense spending to 3 percent of GDP a year, with an emphasis on decreasing the technological gap, and that the United States in return agree to discuss a restructuring of NATO commands with an eye toward giving the Europeans a greater say in how the alliance is run.* Such a concord is certain to reinvigorate the alliance by roughly balancing its two pillars, both in terms of burdens expended and powers allotted.

Increased European integration within the context of NATO, symbolized by the ESDP drive, may well facilitate economies of scale, making it easier for the Europeans to meet their increased defense commitments under a NATO reform plan. As Eisenhower approached EDC, so should we approach ESDP. An enhanced ESDP must take place under the NATO umbrella; it must create synergies that allow the Europeans to make progress technologically; and despite allowing for an increased role for the EU in the process, it must be open to all European members of NATO, whether or not they are in the union. Above all, ESDP must enhance NATO reform, not be the beginnings of a separate defense organization, designed to supersede the transatlantic link.

While in many ways ESDP represents nothing new under the sun, reflecting the perennial burden sharing and power sharing concerns that have plagued NATO since its inception, something has changed. With the Cold War era consigned to history, the immediate threat facing the alliance no longer obviates these festering issues of burden sharing and power sharing. On the brighter side, a constituency on both sides of the Atlantic is in the process of realizing this and seems intent on using ESDP to begin to redress the inequities that have troubled NATO since its inception.

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* See John C. Hulsman, "A Grand Bargain with Europe: Preserving NATO for the 21st Century," Heritage Foundation *Backgrounder* No. 1360, April 2000.

African Atrocities and "The Rest of the World"

By MARK BOWDEN

WESTERN JOURNALISTS FACE an occupational hazard working in Africa, particularly those who bypass the more stable and peaceful parts of the continent in their rush to war, genocide, and famine. Conflict, massacre, and starvation command attention, and newspaper correspondents scramble to bear witness. It isn't always easy, and it is almost always dangerous. Sordid transactions at borders, stealth in avoiding roadblocks, at times simply waiting (and praying) out the whims of some officious 14-year-old with a machine gun at an arbitrary checkpoint: All are part of the glamour of the profession.

Our demand for stories from these hot spots has created a small band of intrepid, vagabond war watchers, most of them photographers and cameramen who know the market is always ripe for mayhem. One of the best of them is Scott Peterson, whose new and highly disturbing book is *Me Against My Brother* (Routledge). Peterson writes that he is not a "war junkie," and yet acknowledges having become "hooked on war" on his first trip to Africa in 1988 — "on the emotions it inspired and forced me to confront." He does not wish to be seen as a "bluebottle fly, to feast on the gore of war," but rather as someone who feels obliged as much as enlivened by experiencing conflict close at hand.

He need not be defensive about it. Daring reporters who bring back stories from the world's riskiest places perform an important public service. Peterson found his calling early, and in the 12 years since that first visit the continent has provided plenty of conflict to record. Anyone who lives like

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Mark Bowden is the author of Black Hawk Down *(Atlantic Monthly Press).*

this over a period of years experiences one of two things: he becomes numb to it all; or he feels a mounting sense of loathing for the cruelty encountered, for the tinpot tyrants and casual genocidaires, and an equal sense of outrage that no one in the more privileged regions of the world seems able, or willing, to stop them.

Those emotions are the driving force behind Peterson's book, a spirited examination of three of the most recent of Africa's bloody zones — the Sudan, Somalia, and Rwanda, all of which he has visited repeatedly as a correspondent for various American and British newspapers. It makes for powerful reading, and provides a useful occasion to revisit not only the horrendous facts of the slaughter, but the often elusive causes behind it as well.

"The rest of the world"

PETERSON MELDS HIS EYEWITNESS accounts with considerable research into the convoluted recent histories of human tragedy (besides Chechnya and Kosovo, there are few major bloodlettings he has not attended). Judging by some of the accounts in *Me Against My Brother*, he is lucky to be alive, and accounts of his brushes with death bring a vivid immediacy to the conflicts he describes. This is not a book, however, of "cowboy tales of the front lines and then how I retired to the bar every night to better my colleagues at the telling of war *stories*. . . . Instead, in its essence, this book is about war *crimes*, and how people come to commit them."

Peterson calls it a "spiritual journey," but in truth the book does not lead to any deeper understanding of self or the human spirit. There is very little introspection in Peterson's writing or thinking. As a journalist he is primarily political, not philosophical. He is less a pilgrim than an activist, bringing misery to the attention of power. His instinct when confronted with a catastrophe is not to reflect, but to report, as when he encounters a feeding camp overrun with starving Somalis:

> I was so shocked that I did not waste time taking notes. Instead I shot frame after frame with my cameras, seven rolls of film in less than a half hour, 250 images, one every six seconds, the details of misery etching themselves onto my mind irreversibly like acid on steel, details that are almost always the exclusive realm of the photographer.

What reflection there is here leads to a familiar place. He is angry at Africans for killing each other so wantonly, and angry at the rest of the world for not caring enough, for not doing more, and for waiting too long and not doing the right things when it does choose to act.

By "the rest of the world," he means the United States, Western Europe, the United Nations, and international relief agencies, all of which come in for a pasting in this book. Peterson set out on his adventures after graduat-

ing from Yale, naively confident in reporting as a humanitarian tool, confident that his urgent daily stories and striking photographs, apart from satisfying his own considerable itch for adventure, would help spur the mighty nations of the world to act. "Back then," as he puts it, "I was still a believer in the goodwill of institutions and governments, and was convinced that if they knew that bad things were happening in Africa, they would try to intervene."

To that end, he sold freelance stories to the *Atlanta Journal-Constitution*, was eventually hired by the *London Daily Telegraph*, and later joined the staff of the *Christian Science Monitor*. What he found was that the appetite for news from Africa, even of the most appalling kind, was strictly limited. Where he saw starving Somalis in 1992, the *Telegraph* was more interested in a story about political developments, and when he tried to peddle the photos he found so shocking, "the final edit remained in an envelope on a desk in New York at a major American newsmagazine: the editors meant to use the pictures, but didn't." When the press's interest *was* captured, Peterson writes that the enthusiasm was strictly, to use his coinage, "Warholian." In newsrooms, he notes angrily, there is:

> this well-known algebra for headlines: "One dead American is equal to a handful of dead Europeans." Hundreds of Asians might die to "rate" the same treatment. And bottom of the list, shamefully, are the thousands of Africans who must die before their tragedy will measure up at all.

Still, though mainstream journalism takes such occasional lumps here, overall *Me Against My Brother* is concerned only slightly with the profession. The real target, for Peterson as for almost all those who share his reportorial perspective — and most particularly those who have borne witness to the worst in contemporary Africa — is not the newsroom, but "the rest of the world."

Curse of the strongman

PETERSON'S STORIES, like most other reports born in the blood and gore of these places, are meant to indict the Western world; but what they actually illustrate is how hard it is for outsiders to make a lasting difference. By his own account, in Somalia "we" did too much, in Rwanda "we" did too little, and in the Sudan, where only enough aid has been given to keep the warring factions from mass starvation, "we" are guilty of having "prolonged the war by feeding the inhabitants." He doesn't reflect much on the all-important question of *how* to help, nor give nearly enough credit to the world's powerful nations and charitable institutions for trying. Similarly, though he does not believe that the continent's problems stem from vestiges of colonialism, his wrath toward "the rest of

the world" amounts to a new kind of White Man's Burden. The old imperialists believed Africans were too backward to govern themselves, whereas today we are often unwilling to assign them full moral culpability for their evil deeds.

But culpable they are. Somalia's descent into anarchy was caused primarily by competing warlords who refused to unite or compromise in the public's interest, even when a massive U.N. intervention backed by American troops offered a bonanza of incentives. Rwanda's nightmarish slaughter was carefully plotted by Hutu leaders from all walks of life, and carried out with a unanimity of purpose that is bewildering even to the participants. The Sudan is in the grip of three warring factions, two of which are led by men who see themselves as instruments of divine purpose. To be sure: Colonial attitudes may have had a historical hand in shaping notions of Hutu superiority, international aid may have inadvertently contributed to the destruction of traditional Somali nomadic culture, and American and Israeli opposition to the spread of Islamic fundamentalism has no doubt bolstered the factions warring against the mullah-backed regime in Khartoum; but such external influences are not the primary causes of the conflicts in these countries. They suffer, as much of modern Africa does, the curse of the strongman — all those ruthless, well-armed individuals who form private armies strictly to further their own ambitions for wealth and power. Following the example of Mobuto Sese Seko and others, these men prey upon ignorance, superstition, and old tribal fears to prop up their kleptocracies, and too often find support from Western governments whose interests have little to do with the common African good.

Much of modern Africa suffers the curse of the strongman.

Competing strongmen are behind the seemingly endless war in the Sudan. Peterson is one of very few reporters to have visited this desert land in recent years, and he does a good job of sorting through the shifting complexities of its obscure, bloody, and interminable conflict. His reporting is fresh with colorful observation. He pictures Sudan President Lt. Gen. Omar Hassan el-Bashir exhorting jihad before a formal parade of robed and turbaned cavalry, holding aloft in one hand the Koran and in the other a Kalishnikov, with "a bright paperclip incongruously holding the tongue of his belt to his wide belly." He finds southern rebels dressed in cast-offs from American and European charity bins, "in bright children's ski jackets with crude designs; polyester powder blue flare-bottom trousers, thrown away by some American in the late 1970s, when *Saturday Night Fever* style quietly gave way to Levis 501 jeans; flannel pajamas with childlike teddy bears and sometimes even bathroom slippers."

This 45-year-old civil war became overtly religious only with the rise of Islamic fundamentalism in the 1990s. Peterson estimates that 1.5 million

people have perished in it, or one of five Sudanese. In the north, Bashir ran a police state in the early '90s, one that the U.N. Human Rights Commission accused of routinely employing torture and execution to enforce his Islamic regime, a place where abandoning the faith was punishable by death. It has since mellowed, in part because of external pressure and in part by a decided lack of popular enthusiasm, but the war against the south continues, as does support from Iran and Islamic fundamentalists in the region.

In the south, the Sudan People's Liberation Army (SPLA), led by the hard-drinking "Colonel" John Garang de Mabior, patrols an ever-shifting front line against the government mujahideen. Years of war have destroyed the south, where there is no manufacturing and not enough agriculture to feed its 4.5 million people. The SPLA fares little better than Bashir in the eyes of the world's humanitarian organizations, and over the years has come to be dominated by Garang's Dinka tribe. Garang was educated in the United States, at Grinnell College in Iowa and at Iowa State University, where he earned a doctorate in economics. He went on to attend the U.S. Army's Infantry Officers Advanced Course at Fort Benning, Ga. Peterson describes him as a fat man with a thin graying beard, full of Maoist bluster when they first met in 1992 — boasting that his rebels were "swimming in a friendly sea" in southern Sudan. He claimed then to be fighting for a secular, united Sudan. But in the early 1990s his friendly sea began to flow north, fleeing SPLA murder, rape, and looting, according to the organization African Rights, and arriving in huge refugee encampments around the northern capital of Khartoum. Garang has earned the nickname "Pol Pot" in the region he purports to represent in this ongoing struggle. Military aid continues to arrive, however, funneled through Uganda. Peterson claims the true source of the assistance is likely "the U.S. and Israel, fearing that a Khartoum victory . . . would create an unstoppable Islamic movement in Africa." Perhaps, but there is no evidence offered here. And one strains to think that either the United States or Israel cares enough about the outcome in this forsaken place to get involved.

Garang has earned the nickname "Pol Pot" in the region he purports to represent in this ongoing struggle.

Complicating matters for Garang, however, is a new movement of the Nuer tribe, traditional rivals of the Dinka. Led by Riek Machar, a "gap-toothed" man supposedly descended from Nuer divinity, these forces attacked Dinka tribesmen at Bor and Kongor in 1991 and slaughtered thousands. In the words of an Amnesty International report: "People were speared and shot, bound with ragged belts and knotted cord, strangled and burned. Three boys were tied to a tree and clubbed to death. Men were castrated and disemboweled."

Machar's followers claim he is a long-awaited messiah who will lead his

people to victory over the hated Dinka. Machar, who has his own Ph.D. (from Bradford University in England), denies to Peterson that he is a messiah, but embraces the symbolism and goals of the tribal prophesy. He denounces tribalism, but adds that he "has not seen a Nuer who doesn't support me." In practical terms, Machar is fighting to secede from northern Sudan, which makes him an enemy of both Garang and Basir, but he is also shrewd. And even though his announced intention is to secede, he has formed a cynical alliance with Khartoum that in recent years has driven Garang from nearly two-thirds of his region of the south.

Having met all three leaders, Peterson can find little explanation for the ongoing conflict beyond their personal ambitions, and sees no solution to the conflict, observing only that "I am disgusted at the unaccountability of these 'leaders' for the curses they have brought on their own people. And I am not even Sudanese."

Somalia: fiasco and crime

THE KEY WORD here is "unaccountability." Peterson, like most Westerners who visit these blasted zones in Africa, longs for some greater force to step in and try to make things right. What if "the world" could just intervene, enforce a cease-fire, disarm the factions, arrest the warlords and allow peace-loving civilians to start over?

Yet that's pretty much what the U.N. and the U.S. tried to do in Somalia, with disastrous results. This ambitious and unprecedented attempt at nation-building is Peterson's major case study. He sees the ill-fated intervention there as a prime example of "the rest of the world's" ineptitude. It came on the heels of the Western allies' swift victory against Saddam Hussein. In Peterson's telling, "expectations were high for an aid mission to Somalia — an infinitely lesser problem than the oil-import Gulf — and it should have been easy. Instead, on the American watch, the Mogadishu Line was drawn and crossed; the humanitarian mission — 'God's work,' as President Bush liked to say — chose sides in a local battle and became Somalia's chief warlord."

The problems in Somalia may have been "infinitely lesser" in the sense that the Horn of Africa was of less importance to the world than the Persian Gulf, but the crisis in Mogadishu was far more complex than the classic military challenge of sweeping Saddam Hussein's meager forces from Kuwait. The most remarkable thing about President Bush's decision to send Marines to Mogadishu, as Peterson shows, was that it was purely humanitarian. Somalia is a land with no known natural resources vital to the Western world, and it is without significant strategic importance. Americans went to Somalia to end a famine, and then stayed to wrestle with political problems that even most Somalis have a hard time understanding on a day-to-day basis.

Ever since the overthrow of the dictator Siad Barre in 1991, the country, and the capital, have been caught up in a multi-sided civil war that can no longer be defined by traditional rivalries between clans, regions, or ideological interests. It is a moving mosaic of alliances and hostilities, with everyone in the contest for no better reason than to enrich himself. Somalia is a well-armed capitalist nightmare. Instead of competing in a marketplace regulated by law, the Somali warlords compete with technicals (heavy machine guns mounted on pickup trucks), AK-47s, and rocket-propelled grenades. For those rich, powerful, and ruthless enough, as one Somali businessman told me when I was in Mogadishu in 1997, "Anarchy is good for business."

So in this sense, Somalia was by no means a "lesser problem" for the U.S. and U.N. officials who arrived in December 1992. The easy part of the problem was ending the famine. Since it was strictly man-made, a function of warlords looting food as it arrived at the port or stealing it from convoys as it moved inland, the arrival of 20,000 U.S. Marines in December was enough to free up food at the ports and promptly deliver it where it needed to go — albeit too late, as Peterson points out, for many of the most vulnerable Somalis, mostly children. In the port city of Baidoa alone, the number of recorded burials had risen from 687 in the second week of August to 1,780 in the second week of September, according to the U.N. official report on Somalia (*The United Nations and Somalia, 1992-1996*). But freeing ports from the warlords and opening up roads for delivery were only part of the problem. Now that the world had made Somalia a project, how much sense did it make to feed the starving for a few months and then sail away?

The civil war can no longer be defined by traditional rivalries between clans, regions, or ideological interests.

The decision to choose sides in Somalia came a long way down the well-intentioned path. It made perfect sense at the beginning of 1993, with the food lines open and city streets policed by the new "Mayor of Mogadishu," U.S. Marine Corps 2nd Division commander Gen. Buck Bedard, to attempt a solution that would preserve stability once American forces moved out in the spring — as President Bush had promised. Former U.S. Ambassador to Somalia Robert Oakley felt he had made substantial progress toward negotiating a coalition government with the competing warlords when that pull-out came. Oakley left with the American forces, and the effort was passed to former U.S. Adm. Jonathan Howe, who took over as chief U.N. administrator in Mogadishu. The same coalition that Oakley regarded as hopeful, Howe quickly saw as hopeless. Mohammed Farrah Aidid, the most powerful of the local warlords, had never intended to take part in such a coalition. As Howe saw it, the warlord had merely been biding his time, humoring Oakley and Bedard's Marines, until the U.S. forces withdrew and U.N.

policing fell to a far less well-trained and armed Pakistani force. Keeping the Marines in Mogadishu would most likely just have postponed the inevitable. In any event, the day after the Americans left, Aidid began his murderous offensive.

Peterson faults the U.S. for choosing sides in the local conflict, and he's right that it was a mistake. But it also wasn't a decision made on the spur of the moment by a roomful of dunderheads in Washington. When Aidid was declared an outlaw by the U.N. in the summer of 1993, it was for good reason. The warlord's forces had killed dozens of peacekeepers, mostly Pakistanis and Americans. Once the shooting war started there were murderous excesses on both sides, as there always are in war. The decision by U.S. forces to simply open fire on a meeting of Habr Gidr clan leaders in a Mogadishu home on July 12 (at the behest of Howe and the U.N. but with the full complicity of the American command), pumping TOW missiles into the building and killing 50 or more clan elders, was a monumental misjudgment, to say the least. Peterson devotes a whole chapter of his book to "Bloody Monday," which he remembers, "through a haze, steeped in memories that roil with anger." Four of his colleagues were killed by enraged Somali mobs when they rushed to the scene of the attack to take pictures. Peterson himself narrowly escaped with his life shortly before his friends were killed. His anger over this particular event is rightly directed at Howe and the other U.N. and U.S. leaders who launched the attack. He writes: "We were steered away from calling the Bloody Monday attack a massacre or a slaughter, but it was difficult not to reach the conclusion that this was murder on a grand scale. It was a war crime, pure and simple. Though witnesses were plenty, the perpetrators made no apologies."

The Abdi House attack was not a deliberate attack on innocents, so I do not share Peterson's belief that it was a war crime. There were among the clan leaders assembled that day men who had plotted attacks on U.N. peacekeepers. But there were also moderate clan leaders opposed to Aidid's belligerent posture. The attack was a tragic mistake.* It resulted from poor intelligence and the frustration and impatience of bloodied U.N. and U.S. forces who had been unable to bring Aidid to heel. It had the effect of firmly uniting the southern half of Mogadishu behind Aidid. Peterson writes, cor-

*Howe told me that he believes the only clan leaders in the "Abdi House" when it was attacked were Aidid's militia leaders, men with the blood of many peacekeepers on their hands, and that fewer than 25 were killed. There is little doubt that some of those men were there, but an investigation by the International Committee of the Red Cross and my own reporting in Mogadishu suggest that at least twice that many died, including women and children. Eyewitnesses interviewed by me and by other reporters, including Peterson in this book, claim that the assembly of clan leaders attacked by the U.N. without warning included many innocent Habr Gidr elders, including some who had come to the meeting to argue against Aidid's continued violent tactics against the U.N.

rectly I think, "For them Bloody Monday became the turning point — the day that Somalis turned almost unanimously against the UN missteps."

By the time Task Force Ranger arrived in late August, ordered to dismantle Aidid's military force, America's humanitarian mission to Somalia had devolved into a shooting war. A large majority of Somalia's population was at war with the "peacekeepers," as the men of Task Force Ranger would unhappily discover when their seventh mission into the city on October 3, to arrest two of Aidid's henchmen, turned into what one Ranger would later call "Kill an American Day." The deaths of 18 American soldiers in that fight led to an immediate cessation of hostilities against Aidid and an eventual withdrawal of all American forces.

I outline this sequence of events to show how American policy evolved into "choosing sides" down a very rational path. At any point along the way it would have been hard to reverse direction. Should the U.S. have pulled out without trying to ensure lasting stability in Mogadishu? Should the U.N. have ignored Aidid's bloody raids on its peacekeeping forces? Should President Clinton have abandoned the U.N. effort when Aidid started killing American soldiers?

At any point along the way it would have been hard to reverse direction.

Peterson does a good job of explaining this mess, and lays much of the blame for it on Howe. In retrospect, though, the admiral is an easy target. The fact is that things worked out badly in Somalia. No one was prepared for the extent of American losses on October 3, and the immediate about-face of the Clinton administration was less a calculated policy decision than an expression of horror. No one had ever sold the Somalia intervention as a potential shooting war, and these sudden losses of American lives were politically unacceptable. Clinton had little choice but to withdraw. Howe and many of the military leaders still feel betrayed by this decision. They believe the effort to take down Aidid was fully justified and could have succeeded, more so after the heavy losses inflicted on Aidid October 3 — conservative estimates claimed 500 Somali deaths. Had Task Force Ranger stayed to complete its mission, either by capturing Aidid or by crippling his organization, the U.N. might have successfully concluded a peace agreement between the other competing warlords, and Somalia today might have a government, peace, and a promising future. I think this is unlikely, but it was possible. On the other hand, American forces could have gotten bogged down in more fruitless months of searching for Aidid and his men, suffering even more shocking casualties — and inflicting even worse.

We will never know the answer. The point is that every step along the course to this fiasco made sense to very bright, well-intentioned people. As Peterson's own detailed account of its unfolding makes clear, nothing about Somalia was ever "easy."

Mark Bowden

Rwanda: inexhaustible horror

THE STRONGEST CASE AGAINST "the rest of the world," by now well documented, is the indefensible indifference that greeted the 1994 genocide in Rwanda. Peterson is on the same ground here that Philip Gourevitch covered so brilliantly in *We Wish to Inform You That Tomorrow We Will Be Killed With Our Families* (1998), and he adds many more compelling stories of this unbelievable nationwide slaughter. One presumes reporters could scour Rwanda for two generations and not exhaust its store of horror. Peterson tells us about a man who stood behind a door trying not to move or make a sound for 21 days, his legs swelling and stiffening, as each day he heard the "crunch of machete into bone, the pop of heavy clubs bursting each human skull," expecting at any moment for one of his Tutsi neighbors to peer behind the door and dispatch him similarly. He tells of Tutsi parents throwing babies into rushing rivers in order to spare them the machete. The spasm of killing in Rwanda, with neighbors turning on neighbors, pastors turning on congregations, schoolteachers turning on students, and the sheer, gory industry of the genocide, with most victims being hacked, stabbed, and clubbed to death, stands as one of the most frightful and bizarre episodes in recorded history. Peterson struggles to comprehend its scale, noting that while the Third Reich, Stalin, and the Khmer Rouge may have left many, many more dead:

> A mathematical calculation of Rwanda's national suicide makes the speed of any other recorded catastrophe or single act of war pale by comparison.
>
> No system of genocide ever devised has been more efficient: The daily kill rate was five times that of the Nazi death camps. . . . The daily death rate averaged well more than 11,500 for two months, with surges as high as 45,000. During this peak, one murder was committed every two seconds of every minute, of every hour, for days: an affliction befitting the Apocalypse. Transfixed and aghast, the rest of the world watched, fiddled, then hid its eyes and did nothing.

Peterson and a few other war reporters actually managed to find a way into Rwanda right as this slaughter began, just when anyone with normal concerns for personal safety and the means to flee was on the way out. Traveling in Kigali with French soldiers rounding up stranded countrymen, Peterson caught only glimpses of the actual mayhem, but what he records is chilling nevertheless:

> From a distance, through a humid vapor to the next hill in Kigali, I saw some of the murder. Two men with machetes. One man with a machete hacked the neck of another man, who was on his knees and fell

> among several bodies — the magnified footage of the TV camera next to me showed gore sticking to the machete from that first strike, then it flinging off in the upswing.

Yet for all his observation and passion, Peterson doesn't spend much time trying to arrive at a deeper understanding of the country's afflictions. Gourevitch's book on Rwanda was remarkable because he captured the experience of the genocide through the eyes of Rwandans. His writing lets us walk around inside the nightmare, and while he is doomed ultimately to fail at his efforts to understand, he manages the remarkable and disturbing task of *humanizing* it. Similarly, one of the most important themes of Holocaust literature is the shocking normalcy of the Third Reich's murderous efforts, showing exactly how ordinary German soldiers and bureaucrats methodically enacted the genocide. By demonizing the Nazis, we deny the capacity for such cruelty in ourselves. By recognizing how normal human passions were enlisted in the effort, we accept the possibility of its happening again. Gourevitch in *We Wish To Inform You* performs this same service in Rwanda, connecting the terrible spasm of murder there to such events throughout history:

> The pygmy in Gikongoro said that humanity is part of nature and that we must go against nature to get along and have peace. But mass violence, too, must be organized; it does not occur aimlessly. Even mobs and riots have a design, and great and sustained destruction requires great ambition. It must be conceived as the means toward achieving a new order, and although the idea behind that order may be criminal and objectively very stupid, it must also be collectively simple and at the same time absolute. The ideology of genocide is all of those things, and in Rwanda it went by the bald name of Hutu power.

Peterson is a different kind of reporter. Though he aspires to a "spiritual journey," we view the events he writes about always from a distance, as if through the lens of his camera. The images he records can tell us only so much, and we find ourselves, with the author, falling back on the more familiar and easier path of *dehumanizing* the Africans he writes about. We see this attitude expressed again and again in *Me Against My Brother*, as when he quotes a Somali about the apparent senselessness of the violence there, "This is the way we think. You can't change that. It is us." Likewise, after watching a Somali child die of hunger, Peterson draws meaning from the seeming attitudes of the armed young Somalis who escort him:

> They didn't say anything. They knew what I had seen behind those whitewashed walls, what dereliction of life haunted the starving behind so many high walls in Mogadishu. Some of those who were dying were their family members. But they didn't seem to care. As we drove off, safe for a moment in our protected cocoon, we were immediately so far from

> Shukri's dusty new grave that I began to grasp the hopelessness that caused such apparent uncaring among Somalis. How otherwise can I explain the rabid looting by militiamen of 8,000 tons of food from a warehouse near the port? Gunmen fought pitched hand-to-hand battles for two days to win a share, and celebrated this windfall by charging through the streets, white as ghosts with the dust of their loot. Relief workers dubbed such an event as "spontaneous distribution," but if distributed properly, it was enough food to feed the capital for two months.

But it is possible to explain all this otherwise. Somalis, Rwandans, and the Sudanese are no more inherently prone to acts of senseless violence and revenge than anyone else. Even Somali gunmen are no less caring than such men are anywhere. In a country where all vestiges of traditional culture have broken down, where there is no law and no government, where survival depends upon loyalty to the smallest of social units — families, kin, subclans — then people become ruthlessly selective in their caring.

What had happened in Somalia during the years of war was nothing short of a complete societal breakdown, one detailed among other places in the U.N. report on Somalia:

> Before the large population displacements caused by the war, about one quarter of Somalia's people were settled farmers, growing sorghum, maize, sugar cane and bananas; twice as many were nomadic pastoralists, who moved with their cattle as they grazed the dry rangelands. . . . The civil war that preceded and followed the fall of the Siad Barre government uprooted an estimated 1.7 million people, about one fifth of the total population. . . . This huge displacement of people from their homes led to a massive disruption in food production. According to the Food and Agriculture Organization of the United Nations, the area of cultivated land fell by almost half between 1989 and 1991. During the same period production of grains also declined dramatically. In the inter-riverine areas, the armed militias laid waste to the richest farmland in Somalia, plundering grain and feed stocks, damaging irrigation systems, killing livestock and polluting the wells of competing clans — all to deny their opponents food and water. . . . Furthermore, all the services and institutions that allow society to function and to protect its members collapsed as Somalia slid into chaos.

Social organization doesn't completely collapse under such circumstances; it merely fragments into smaller and smaller groups. When I was in Somalia, all the people I met first identified themselves to me as a member of this or that family, with loyalties to particular clan leaders. Factionalism defines where a person lives, works, and what and when and how much they eat. The looters Peterson observed almost certainly acted at the behest of warlords bent on hoarding scarce resources for their own group and denying them to their enemies. With no other sources of food than international

shipments, you have a city where one well-fed subclan will fight to steal warehoused food while children from another, less powerful subclan are starving to death. The same "uncaring" gunman who steals from the starving one day will fight to the death to preserve the honor and position of his own subclan, and will join with rival subclans when there is a perceived threat to the clan as a whole — as would be amply demonstrated on October 3, 1993, when the enemy was a trapped force of American soldiers, and Somali militiamen threw themselves almost suicidally into the fight. So the reasons for Somalia's anarchic impasse are not rooted in nature; they are rooted, here as elsewhere, in their particular history and circumstances.

One thing the rest of the world can do is avoid broad, simplistic answers — if only because all of the most obvious explanations fail. We can blame the ease of killing afforded by modern weaponry, but most of the slaughter in Rwanda was done by hand, one on one. We can blame superstition and the lack of education, but Mogadishu boasts a highly sophisticated intellectual class: Many residents are fluent in several languages, educated in universities around the world. We can blame ethnic hatreds, until we see the shifting alliances that make it so difficult to keep track of who is killing whom in the Sudan, or the confusion in Rwanda over who exactly is Hutu and who is Tutsi. Nor is the answer some essential flaw in African character. The reasons for the killing vary from place to place, and grow from the peculiar history of each region. The ineptitude of foreign intervention that Peterson documents in Somalia, the Sudan, and Rwanda stems from the greater world's ignorance of local matters.

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To a certain extent this ignorance is unavoidable. By definition, the Muhamed Farrah Aidids and Reik Machars — the strongmen in their worlds — know better how to maneuver in their local circumstances than any foreign ambassador or general ever will. So we need to recognize the limitations of military intervention, and to become better at predicting when humanitarian aid is worsening or prolonging a problem. This will mean occasionally making a hard choice *not* to intervene, even when the images and reports broadcast by reporters like Peterson make it wrenchingly difficult.

We must also respect the political difficulties in mounting missions like the one to Somalia. The American public and its leaders have every right to be cautious about committing troops to distant local conflicts. Wars have traditionally been fought to protect national borders and vital strategic interests, and it hasn't always been easy to rally public support for them. There is something substantially different about hazarding American lives for purely

humanitarian reasons, where nothing vital to the United States is remotely at stake. There will always be saints — like the dogged volunteers who work for international relief agencies willing to wade into hell to do good, like such war correspondents as Peterson who brave death to bring us news of unfolding tragedy — but it is unrealistic to expect a majority of ordinary Americans to support sending their sons and daughters, husbands and wives, in with them. Somalia pointedly demonstrated the risks. The question of how and when to use military force remains one of the most difficult ones we face.

The answer will involve weighing risk against the likelihood of achieving more than some momentary, "Warholian" success. The problems in Africa must ultimately be solved by Africans, not because the rest of the world shouldn't care, but because only Africans can. We owe a lot of help, but must take care that it doesn't do more harm than good. Perhaps one criterion for intervention in dangerous places ought to be the existence of some indigenous power capable of maintaining stability once it is restored. No matter what the calculation, there will be times when the heart says yes but the head says no. One of the consequences of global communications, and the efforts of courageous reporters like Peterson, is that we will have to witness the consequences in living, or dying, color.

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American Legislative Exchange Council
Americans for Tax Reform
Ashbrook Center for Public Affairs
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BOOKS

Meritocracy, If You Can Keep It

By RHODA RABKIN

NICHOLAS LEMANN. *The Big Test: The Secret History of the American Meritocracy*. FARRAR, STRAUS AND GIROUX. $27.00

PETER SACKS. *Standardized Minds: The High Price of America's Testing Culture*. PERSEUS BOOKS. $26.00

ATTACKS ON standardized testing are nothing new. In fact, it is surprising that the tests, given their grim task of ranking people according to ability, enjoy as much public acceptance and support as they do. Authors Nicholas Lemann and Peter Sacks would like to change that.

In Lemann's view, selective college admission based on the Scholastic Assessment Test (SAT) has generated a smug, self-perpetuating elite, inimical to equal opportunity. Lemann finds the very idea of aptitude testing offensive, because, as he argues plausibly, tests never tap innate abilities, only developed mental abilities much affected by exposure to schooling and middle-class upbringing. Sacks agrees, but develops his own, more broad-based critique, not confined to the SAT. According to Sacks, all forms of multiple-choice testing fail to gauge individual potential. In his view, achievement tests are especially pernicious, because they foster a narrow, test-oriented style of teaching, harmful to the education process itself.

Lemann's book is an entertaining read, chock-full of colorful characters and incidents, but as an argument, it doesn't add up. He shows that some individuals who played key roles in the origins of testing held crackpot or elitist ideas. For example, Educational Testing Service (ETS) founder Henry Chauncy hoped to develop tests not just of scholastic ability, but of creativity, practical judgment, persistence, etc. Another early proponent of the SAT, Harvard president James Conant, wanted to limit the number of students attending college. But these villains seem too ineffective to be really sinister. Nothing much came of Chauncy's enthusiasm for quantifying every conceivable human trait, and in the 1940s, the masses went to college anyway, thanks to the GI Bill. Lemann's style of argument here is pure guilt by association, and as unconvincing as such arguments usually are.

Lemann sets great store by the fact that colleges adopted the SAT "outside the purview of politics and open debate." This is not as telling as he thinks. The pre-SAT system, based on recommendations from headmasters of private New England boarding schools, was certainly not founded in democrat-

Rhoda Rabkin is an adjunct scholar at the American Enterprise Institute.

ic debate. But more importantly, as Lemann shows, the SAT was vigorously contested, as one might expect, by the soon-to-be-displaced elites who had benefited from the traditional methods of recruitment. From the evidence Lemann presents, it is apparent that colleges turned to the SAT out of rivalry with each other, as each institution feared getting stuck with a mediocre student body. Standardized testing gained importance in college admissions through a competitive, pluralistic process, not a conspiratorial one.

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In Lemann's view, SAT scores should play only a minimal role in college admissions, because they explain only about 16 percent of the variation in first term freshman grades. Technically correct, but ignoring the importance of "restriction of range," Lemann is wrong to dismiss this as a "slender achievement." Most colleges choose from the applicant pool in part by scores. It is within that selected group — and in some colleges, this is a very selective group indeed — that scores are of diminishing utility in predicting freshman grades. The results might look very different, as admissions offices are keenly aware, were students with much lower scores admitted. Of course no test can measure a student's motivation; colleges know that they must use other sources of information to assess this quality, so critical to success in any endeavor.

Lemann frequently alludes to the charge that testing is culturally biased against minorities. Despite its lack of merit, this is an accusation still frequently hurled at the SAT. To his credit, Lemann acknowledges, however obliquely, that, at least with respect to black-white differences, which have been intensively studied, the SAT predicts the first term grades of black college students as well as it predicts the grades of white ones.

The most exasperating weakness of Lemann's critique of the SAT is that he never shows a better method of selecting the students who would most excel at college. His one proposal — achievement testing based on a national curriculum — is so far off the mark that one must question his seriousness. Until we learn methods to improve the schooling of disadvantaged children, achievement tests will not result in a different pattern of class recruitment. The same privileged kids with well-educated parents will outperform everyone else, just as they do now. There is nothing odd about this; it would be odd if all the efforts of parents who already have education and therefore value it — speaking English correctly at home, taking children to the library and museums, showing concern about homework and grades, and a hundred other things — did *not* have a measurable impact on student performance. Lemann's idea is that making "decent early education" a federal responsibility will quickly negate the effects of parental upbringing; that's a leap of

faith running counter to existing evidence.

Compared to Lemann, Sacks makes more worthwhile criticisms, if not precisely of standardized tests, then of the way we sometimes use them. Like Lemann, Sacks frequently overstates his case, and relies heavily on anecdotal evidence, but he also draws on a broader range of social science research on education.

Like Lemann, Sacks views the SAT as a major stumbling block to the economic advancement of every young person whose parents do not drive a Volvo. But in contrast to Lemann, who sees achievement measurements as a desirable alternative, Sacks views multiple-choice achievement testing as equally if not even more flawed and harmful. According to Sacks, not only do achievement tests fail to measure learning, but even worse, they tend to narrow and "dumb down" classroom teaching.

Sacks is a proponent of what he calls "authentic" or "performance assessment," which he does not clearly define, but which focuses on, for example, "writing, speaking, building, drawing, solving, synthesizing and analyzing." One suspects that Sacks likes "performance assessment" because it is murky and subjective, and thus will hinder the ability of large educational institutions to rapidly compare thousands of individuals. But Sacks may be right that some students are best motivated by a teaching style oriented toward projects with real world applications, such as building an electric car, or designing an "herbal soft drink" container. And he may be right that standardized testing leads some teachers to neglect the excitement of intellectual exploration in favor of drill in poorly designed "test prep" booklets. On the other hand, not all students find projects such as making peanut butter, or writing an essay from the perspective of a growing fetus, to be a good use of their time. One cannot help wonder why parents do not have more choices in education, why students must suffer one-size-fits-all schooling.

One suspects that Sacks likes "performance assessment" because it is murky and subjective, and thus will hinder the ability to rapidly compare thousands of individuals.

A puzzling omission in Sacks's book (and Lemann's too) is any discussion of the achievement tests administered by ETS, the so-called SAT II. Since these widely used tests measure acquired knowledge, they escape Lemann's objections to the fetish some people make of aptitude. If the ETS tests are, as one suspects, quite good indicators of subject mastery, Sacks has a responsibility to say so.

The most worthwhile point that Sacks makes pertains to "high stakes testing," in which substantial rewards and penalties are attached to perfor-

mance on standardized tests. Sacks presents disturbing evidence that teachers adjust their instruction to raise scores on particular tests, but that the gains evaporate once a different brand of test is administered. Public frenzy over test scores can lead to intensive coaching and other more dubious, even unethical practices. These may explain, for example, the short-lived "Tacoma miracle," a one-time spike in scores in spring 1995 that helped catapult Rudy Crew to the post of chancellor of New York City schools.

"Race-neutral" standards in admissions, a seeming victory for "meritocracy," do not signify the firm entrenchment of standardized testing.

But what should we do about schools in which children do not learn? Surely decency requires that local school boards acknowledge failure, and provide parents with more options. Sacks ought to see this, but somehow doesn't. Yet conservatives in particular should give careful thought to Sacks's argument that "high stakes testing" is too easily manipulated and may end up merely punishing low-income students. Considered from both a philosophic and a pragmatic angle, should the first choice of conservatives be "incentives" doled out from on high by education bureaucrats, using "indicators" that remind one of Soviet central planning? Would not vouchers and charter schools, which afford parents choice, do more to encourage the experimentation needed to find out which approaches truly work best with which children?

For reasons that have little to do with the arguments in Lemann's and Sacks's books, standardized aptitude testing has already begun to play a declining role in college admissions. Liberal discomfort with racial disparity has always been a danger to standardized testing, yet for a long time, the SAT, despite its hefty "disparate impact" on black Americans, largely escaped liberal assault. The explanation is that universities have tended to, as Lemann puts it, "simply bend the rules of the meritocracy for Negroes." Most colleges (whether they acknowledged it or not) have employed dual systems favoring the admission of certain groups of minority students, despite lower test scores than other applicants.

Attacks on the SAT are particularly timely now, however, precisely because racial preferences in admissions are very much under challenge. One court case, *Hopwood* v. *Texas* (1996), ended the dual admissions system in public education in that state. Another strong blow was dealt in 1996, when California voters rejected preferential admissions in a popular referendum (Proposition 209).

But "race-neutral" standards in admissions, a seeming victory for "meritocracy," do not signify the firm entrenchment of standardized testing. Quite the opposite is true. In both Texas and California, to bolster the minority presence on campus, admis-

sions offices have de-emphasized test scores, going back to the more traditional method of selecting students — according to class rank, grades, and recommendations. This has not been an easy transition, and it is important to understand why. Standardized test scores, unlike grades, are indeed "standardized." Similar scores generally reflect similar aptitudes, or in the case of achievement tests, similar mastery of subject matter. Scores may not measure a student's "merit" (even if that kind of abstract language, with its implications concerning human worth, is sometimes used), but they are fairly reliable indicators of preparation to do demanding college-level work, which is why admissions offices began to use them in the first place.

Is EXCELLENCE in education threatened by a lesser role of test scores in admissions? Few would deny that voters can reasonably require a state university system to serve the children of the taxpayers who fund the system. But admission of a legislated percentage of graduating high school students (whether the top 4, 10, or 20 percent), when high schools are of varying quality, means admitting more students who are unprepared for college level work. This in turn requires either spending on remediation programs, flunking out large numbers of students, or diluting educational standards — and very possibly some combination of all three. If we are lucky and smart, greater reliance on high school transcripts will stimulate outreach efforts by state universities to improve curriculum and teaching at the high school level. The risk is that public institutions of higher education will relax their own standards of excellence. In that case, the attempt to increase opportunity for some will come at the cost of lessening the educational achievement of others — a destructive form of social leveling which, if widely practiced, would serve no worthwhile national purpose.

It is interesting that the same animus that led Lemann and Sacks to write their books — resentment against a system that seems to reward those already advantaged by middle-class birth — can lead to such strikingly different prescriptions. Lemann advocates a national curriculum with achievement measured, presumably, by standardized tests. Sacks is at least more consistently hostile to standardized testing; but then, he believes that an "A" earned in one school indicates as much learning, and capacity to learn, as an "A" in any other. Most of us will part company with him there.

People involved in education reform often divide between those who favor state-mandated "standards" and those who place their hopes in vouchers and charter schools. The standards movement tends to rely on government action and to highlight failure; the voucher and charter schools movement tends to rely on private initiative and to emphasize choice. Lemann's book assumes, rather than proves, the malignance of aptitude testing. But Sacks does succeed in raising doubts about the meaningfulness of many commonly used achievement tests, especially in a high-stakes setting. Reading the two books together suggests that effective education reform depends on preserving, and building on, the decentralization and experimentalism that currently characterize American education.

Too Much Vox Populi?

By John O. McGinnis

David S. Broder. *Democracy Derailed: Initiative Campaigns and the Power of Money*. Harcourt. 256 pages. $26.00

David S. Broder is justifiably viewed as the dean of Washington political journalists. He is a reporter who consistently looks behind the headlines and identifies important trends in American politics that go beyond narrow partisan divisions. Almost uniquely among journalists, he canvasses the political science literature to put new phenomena in the perspective of history and social science. After assembling a mass of data, he then delivers elegant and balanced judgments that are always deliberate and thoughtful, even if not invariably on target.

All these skills are impressively on display in his new book, *Democracy Derailed: Initiative Campaigns and the Power of Money*. Broder shines his searching spotlight on the growing importance of state initiatives — referenda in which the voters directly decide issues of fundamental political importance from affirmative action to term limits, from the appropriate use of labor union dues to the appropriate treatment of animals. These are exercises in direct democracy, bypassing the legislative process. Broder provides a detailed and colorful picture of several of these campaigns, showing that they involve not only civic-minded citizens but organized interest groups. The campaigns have also created cottage industries, generating a market for lawyers who are expert in drafting the text of initiatives and for companies that go from door to door getting voters to sign the initiative petitions.

Above all, Broder highlights the role money plays. The direct democracy of old New England towns required only a hall for communication among citizens, but the vastness of California necessitates far more resources for the exchange of views. Campaign contributions therefore inevitably influence the course of referenda, as they influence the rest of our politics. Both organized groups and wealthy individuals bankroll initiatives in the hope of vindicating either group interests or their own personal ideology.

Usefully, Broder situates this new issue in American political history. He observes that at the turn of the century Progressives were the first to celebrate initiatives, touting more populist procedures as a way of avoiding legislatures ensnared by the monied interests. This pedigree, in Broder's view, underscores the irony that modern initiatives are mostly run by political professionals. He also uses these populist roots to suggest that enthusiasm for initiatives represents the antithesis of the Founders' view that democracy must be representative rather than direct and

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John O. McGinnis is a professor at the Benjamin N. Cardozo School of Law.

be subject to checks and balances if it is to reach informed judgments and avoid trampling the rights of minorities.

At the end of the book, Broder goes to school and canvasses academic opinion on the current initiative process. While he is scrupulous in recording scholarship both favorable and unfavorable to initiatives, his own judgment is distinctly negative. He argues that the Framers were wise to prefer legislative rule to unmediated popular judgment, because, on balance, deliberative democracy leads to more informed, expert, and dispassionate decision making than direct democracy. He also contends that the initiative process has been subverted by moneyed interests and wealthy individuals. Thus, as the subtitle of the book suggests, Broder's discontent with referenda substantially rests on his general dissatisfaction with the role money plays in politics.

DEMOCRACY DERAILED is well reported and well written. Its framework of analysis, however, is flawed. First, Broder's praise of the original Federalist system of representative democracy for protecting against tyranny of the majority fails to recognize that modern representative government now faces more substantial dangers of rule by special interests. As Mancur Olson has shown, concentrated interest groups have substantially greater power than the diffuse citizenry in the legislative process. At the time of the Founding, special interest leverage mattered somewhat less because governments, both state and federal, engaged in far less spending and regulation than they do today. There was simply less government action from which special interests could extract resources and opportunities for themselves at the expense of the public. Moreover, the Framers created a constitutionally limited commercial republic along with deliberative democracy. In particular, the primacy of property rights made it difficult for special interests to engage in redistribution through spending and regulation. Therefore, under our original system, with its relatively low potential for interest group capture, legislative sovereignty may well have had a comparative advantage over popular sovereignty because it reduced the dangers of popular tyranny.

Even at the time of the Founding, however, the Antifederalists warned of important dangers other than majority tyranny. They predicted that as government became more distant from the people, interest groups and elites (in their era they were mostly the same) would enlarge the scope of government to their advantage at the expense of the general public. Their fears have been richly vindicated through the course of the history of the United States, as the constitutional structures that restrained government, like property rights — and more general societal norms against regulation and redistribution — have receded. With the rise of the special interest state, legislative sovereignty may no longer enjoy the same comparative advantage over popular sovereignty because the principal danger of republican government has shifted from majority tyranny to special interest rent-seeking. Thus, even if one agreed with the Federalist system in the era of the Framers, support for initiatives may now be warranted to compensate for other large changes in the scope of government.

To be sure, Broder also is concerned that special interests will exercise disproportionate influence even over initiatives. But another problem with his analysis is that he does not ask whether the special interest influence over the initiative process is *greater* or *less* than the special interest influence over the legislature. If it is less, then initiatives can play a useful role in curbing special interests. Indeed, the initiative mechanism would then itself reduce special interest influence over legislatures, because special interests would have fewer incentives to lobby the legislature when their gains could be wiped out by the general citizenry in a referendum.

BOTH POLITICAL THEORY and Broder's own reporting in fact suggest that special interests have less leverage over initiatives than in the legislature. One of the principal advantages that special interests enjoy over the diffuse citizenry is their greater knowledge of the legislative process and the details of legislative proposals, because special interests have greater incentives to monitor the legislature and citizens are ignorant of most of what goes on there. In contrast, initiatives disseminate the proposals at issue to every voter in the state, thus reducing the information gap between special interests and citizens. Broder himself suggests that most voters come to understand the essence of most important initiatives, at least if they are relatively simple. Moreover, complex initiatives are generally defeated by their very complexity, thus providing a natural brake on the substitution of popular judgment for detailed matters best left to legislatures.

Broder's reporting also shows that initiatives do help the majority work their will against special interests. Take the case of racial and ethnic preferences. As Nelson Lund of George Mason Law School has observed, legislative or administrative action establishing such preferences can be viewed as a case of rent-seeking by special interests. Like subsidies to sugar producers, preferences create a few clear winners (the preferred students or employees) but relatively diffuse losses, since it is hard for those who are not preferred to ascertain whether they actually lost an opportunity because of a preference. Legislators are inclined to favor bills with clear winners and unclear losers, because they gain intense support from the former without greatly annoying the latter. Legislators and special interests can also increase their joint benefits by making the content of special legislation more opaque to the average voter. For instance, by its very vagueness, the term "affirmative action" obscures the effects of a system of preferences.

As Broder shows, the initiatives in California and Washington against racial, ethnic, and gender preferences gave the average voter the information and power to overturn the government establishment's support of preferences. Begin with the text of the initiatives themselves. They were written to prohibit "preferences" and thus gave voters a clear sense of the actual mechanisms of these programs. Because they clearly outlined what was at stake, they also generated information about the extent of the preferences at leading state universities and in government contracting. As a result of this unmasking, voters by substantial majorities in both California and Washington

approved a prohibition on preferences.

These initiatives were successful despite a huge advantage of opponents in terms of official support and campaign spending. The figures in Washington state are particularly striking. Opponents outspent proponents by more than 3-1 and had the support of the governor, all major newspapers in the states, and its major businesses, including Microsoft and Boeing. Proponents of a color-blind government would never have won against this power hierarchy in the absence of the initiative mechanism. Thus, Broder himself provides substantial evidence that the initiative process can roll back special interest legislation and provide a mechanism for popular control of elites.

The success of initiatives to ban preferences despite the large monetary imbalance between proponents and opponents raises a third analytic flaw in Broder's discussion — his unjustifiable fear of the role of money in politics. Even if one were to share his anxiety, Broder has not shown that money influences the initiative process more than the legislative process. Much of his anecdotal evidence suggests that money has less influence on referenda, as the votes on preferences suggest. This accords with what political theory would predict. Because voters are so much more numerous than legislators and have a broader range of concerns (reelection, for instance, not being so important a focus), it is harder for campaign resources to change their minds on issues of fundamental importance.

Broder not only fails to make the case that money is more corrupting of initiatives than of legislatures, he also fails to make the case that money is a worse influence than the influences that would replace money were campaign contributions to initiatives curtailed. Like many advocates of campaign finance reform, Broder believes that money gives some groups disproportionate power in politics. But restricting money in politics would further increase the already disproportionate power of those who influence politics for a living — journalists, social scientists, and political pundits of all kinds. Increasing this differential influence would entrench a group of political gatekeepers with huge power to set the agenda for American politics.

Moreover, the class that makes its living by manipulating symbols represents a narrower interest than those with money. Relatively few individuals have what we might call the "scribal capital" to engage in such direct political influence. Moreover, those with such capital are politically rather homogeneous. Journalists, academics, and the arts and entertainment community stand on the left of the American political spectrum. For instance, legal academics vote 6-1 Democratic, and national journalists are even more lopsidedly liberal. In contrast, money is more broadly dispersed among citizens engaged in a huge variety of enterprises. Not surprisingly, the wealthy are also far less politically homogeneous than the scribes. Therefore money is a relatively more encompassing interest in American politics than its most likely replacement.

Once again, Broder's reporting itself suggests that our democracy benefits from the wealth of individuals. Wealthy people have sponsored initiatives on a

very diverse range of matters, from the environment to bilingual education — issues on which they had no direct interest and which would not otherwise have received such intense political attention. In any event, initiatives have the advantage of allowing the wealthy to put their innovative ideas for governance before the public without endangering the republic by inflicting their often quirky personalities on elective office.

A final problem with Broder's analytic scheme is that it fails to recognize the salience of the fact that only states and localities and not the federal government have an initiative process. States and localities compete for effective structures of government. If states with initiative processes consistently produce worse laws than states without those processes, the free movement of people and capital guaranteed by the federal government should allow citizens and businesses to exit those jurisdictions. While such movement happens only at the margins, the loss of revenue should exert some discipline on truly outlandish initiatives.

On the evidence of Broder's own rich reporting, however, the federal government's tendency to squelch political innovation is far more of a danger than runaway referenda. Already the opponents of term limits have succeeded in striking down a state term limits referendum for members of Congress despite the Tenth Amendment's protection for state autonomy. The Antifederalists would not have been surprised that special interests, particularly elites, would impel the federal government to restrain popular sovereignty because special interests have particular leverage on a distant and unitary state. The virtue of the initiative process, so long as it survives, is precisely that it provides a way to counteract this baleful influence by allowing the diffuse citizenry in diverse jurisdictions to raise its own voice in discrete moments of self-governance.

Presidents, Measured and Mismeasured

By Paul Kengor

Robert A. Wilson. *Power and the Presidency*. Public Affairs. 162 pages. $20.00

Fred I. Greenstein. *The Presidential Difference: Leadership Style from FDR to Clinton*. Free Press. 282 pages. $25.00

I recently read that nothing has been studied as much as the Koran. I've heard the same about the Bible and conclude that it probably depends on whether you're talking to a Muslim or a Christian. Either way, the American presidency must come in a close third. Aside from

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Paul Kengor is assistant professor of political science at Grove City College. He is currently writing a book about Reagan's personal role in his administration's Cold War policy.

countless books, there are entire journals, research organizations, and libraries dedicated to the study of our presidents, not to mention scholars like Harvard's Richard Neustadt who have focused their careers on the subject.

The first occupant of the physical White House was John Adams, who also happened to be the first vice president, a position he loathed. "I am vice president," he wrote. "In this, I am nothing." He called himself "his superfluous excellency" and lamented, "I can do neither good nor evil." This was unfortunate for a brilliant man once described by Vernon L. Parrington as the young nation's greatest expert on the U.S. Constitution.

Still, despite his low regard for the second office — not to mention for human nature as a whole — Adams had high hopes for the top spot. In November 1801, along with a single secretary and servant, he journeyed from the executive mansion in Philadelphia to the new quarters in swampy, sticky Washington. The unfinished White House smelled of plaster and paint. Fireplaces struggled to dry the rooms. On his first full day, Adams wrote a letter to his wife Abigail, two lines of which were later carved on the mantel in the state dining room:

> I pray Heaven bestow the best blessing on this house and all that shall hereafter inhabit it. May none but honest and wise men ever rule under this roof.

David McCullough says that was a good prayer then and remains a good prayer now. Perhaps now we'd be equally well served to pray that only honest and wise men write about those toiling under that roof — a tall order given prevailing political biases.

As it happens, however, these two books contain an impressive assemblage of wise men — and one wise woman — who endeavor to give honest analysis of presidents from FDR to Clinton. Nearly all of the wise people are of the left, and clearly approve of the policies advocated by the LBJs and FDRs. One might therefore expect them to be hard on the Republicans in their midst. So it is somewhat gratifying to find that Eisenhower is treated quite fairly and approvingly, while Reagan, Ford, and Bush get mixed reviews. As for Nixon — well, some things never change.

Perhaps now we'd be equally served to pray that only honest and wise men write about those toiling under that roof — a tall order given prevailing political biases.

The livelier of the two books is *Power and the Presidency*, a concise, easy-to-read work edited by Robert A. Wilson. This work is the product of a series of 1999 lectures delivered at Dartmouth by distinguished historians, biographers, and journalists. Contributors include Doris Kearns Goodwin on FDR, Michael Beschloss on Eisenhower and JFK, Robert Caro on LBJ, Ben Bradlee on Nixon, the lately notorious Edmund Morris on

Reagan, and David Maraniss on Clinton. A piece on the presidency in general is provided by McCullough, the host of PBS's "The American Experience" and the excellent biographer of the likes of Teddy Roosevelt, Harry Truman, and currently Adams.

There is nothing riveting or especially new in the sections by Goodwin and Caro, aside from the fact that Caro goes easy on LBJ. Beschloss sees Kennedy as lacking "the grand vision of a Wilson or Reagan," essentially running the presidency in a sort of "crisis management" mode — "hour to hour to hour." He notes that one of Ike's greatest disappointments was JFK's defeat of Nixon in 1960, which the general called "a repudiation of everything I've stood for for eight years."

Just as Nixon scholars know what is meant by their guy's "peaks and valleys," Maraniss has coined a phrase that may make the lexicon of Clinton historians — "loss and recovery."

The book's dark spot is the chapter by Ben Bradlee on Nixon, which is characteristically negative. Perhaps the single greatest fault in the book was choosing the Watergate-era editor of the *Washington Post* to do the chapter on the guy who got Alger Hiss. Bradlee's piece is representative of the Nixon-hating genre: Nixon had no friends; he was awkward socially and impersonable; his self-destructive, paranoid nature did him in; the press was not unfair to Nixon and preferred Kennedy merely because he was more likeable; Nixon the red-baiter unfairly attacked poor "progressive" Helen Gahagan Douglas; and so on. Bradlee punctuates the chapter by emphasizing Nixon's "vulgarities," "stunning prejudices," and "jagged cynicism," as allegedly revealed in the tapes.

Nixon was undoubtedly odd. Aside from his wife, Pat, few knew his heart. But it won't do merely to reiterate the standard deformed version of his presidency that Bradlee offers here. Ironically, of course, Nixon would have expected no less from a journalist he considered an enemy.

Bradlee aside, the best parts of the Wilson book are the chapters by McCullough, Maraniss, and Morris. McCullough has an eye for engaging facts and anecdotes: At 6'4" Lincoln was the tallest president; William Howard Taft was the heaviest; Madison weighed only 100 pounds; TR was the first president born in a big city; Carter was the first born in a hospital; Clinton brought 1,000 people with him to China in 1998 compared to the 300 Nixon brought in 1972; Truman privately referred to the White House as "the great white jail."

McCullough once told an audience in his native Pittsburgh that the key to writing gripping history is to "tell stories, tell stories, tell stories." This credo has served him well. In this chapter, however, it's his general insights that impress. McCullough argues that the

quality most essential to presidential power is an intangible for which there is no measurement — as in his formulation, "What's essential is invisible." Here he cites the integrity of George Washington, Lincoln's "depth of soul," Truman's courage and character, the charm of JFK at a press conference and Reagan in front of a TV camera.

McCullough observes that although most presidents have professed no liking for the job, "rare was the man who truly wished to let go his hold on the office. Most would have fought to their last breath to stay if they could." TR professed his love for the job, once believably asserting: "Nobody ever enjoyed the presidency as I did. . . . I have been president emphatically." TR was our first president to be a "world leader." When he visited Panama in 1906, it marked the first time a president had ever left the country while in office. Appropriately, he went by battleship.

An added insight of McCullough concerns the power presidents *didn't* exercise. We don't give presidents enough credit for what they don't do, often in the face of huge pressure. Adams didn't go to war with France. Truman didn't use the bomb in Korea. Ike didn't go into Vietnam. I would add that Reagan didn't succumb to the nuclear-freeze movement, didn't give in on SDI, and — in seemingly simpler but nonetheless crucial examples — went ahead with phrases like "evil empire" and "tear down this wall" when most of his staff and the entire State Department repeatedly objected.

Honorable mention in this book goes to David Maraniss, the *Washington Post* reporter who has developed into one of the best chroniclers of William Jefferson Blythe III. He's got the president pegged. Just as Nixon scholars know what is meant by their guy's "peaks and valleys," Maraniss has coined a phrase that may make the lexicon of Clinton historians — "loss and recovery." Clinton's career is an "endless cycle" of big loss followed by big recovery. Time and again, the man seems finished but bounces back. This has been the pattern ever since he began running for office nearly every two years since 1974. He survived prison riots by Cuban refugees in Arkansas in 1980, the 1994 Republican landslide repudiation of Clinton's first two years, Monica Lewinsky — you name it. Over the years, Maraniss observes, this has led Clinton to perceive himself as "invincible." Aiding this is his ability, learned from an early age, to "deny reality or block out facts." Though Maraniss falls short of saying so, Clinton obviously is the true "Teflon president."

Maraniss concludes with a warning to us all:

> Bill Clinton starting running for president when he was sixteen, and he'll run for president for the rest of his life. That's what he does. So even though he won't be able to serve as president, he will keep running. Now, he'll be running for the historical perception of his presidency, his legacy. He will go out and try to shake every hand and attempt to convince people that his presidency was different from the way it was presented at the time.

Worse, Maraniss might consider, Clinton will leave office a mere child in terms of the typical age for an exiting president. This means we'll be watch-

ing his ongoing campaign for years.

The Wilson book's most interesting chapter will surprise conservatives. Making an appearance in chapter six is the imaginary friend of Ronald Reagan — Edmund Morris. This Morris piece features no remarks about his "airhead" subject, as did Morris's *Dutch: A Memoir*. Reagan is not portrayed here as lacking in compassion or misunderstanding economics. There are no "rhetorical opportunities missed," such as when Reagan "blew it" by demanding that "Mr. Gorbachev tear down this wall."

Most notable, Morris is himself in this work. In a review of *Dutch*, Robert Novak made reference to *60 Minutes* and other interviews in which Morris called Reagan "a great president and a great man." Novak correctly noted that those words don't appear in *Dutch*.

Well, they're here. This chapter fawns over its subject. Reagan is directly referred to as a great man, a notion that is woven throughout the chapter.

This Reagan was "theatrical in the best sense of the word." He worked hard. He was "authentic." He was obviously compassionate. His "ambition and his force were at once more formidable and more benign." He had a "delicious and superabundant sense of humor." He was highly organized — a "meticulous timekeeper." Reagan was a "very fair man." "Because he was fair, he was honorable. He was presidential." His voice was "beautiful." He had a "complete lack of ego." "He smilingly, humorously, beguilingly prevailed throughout life; always seemed to come out on top; always seemed to get exactly what he wanted, in career after career." Reagan "represented the force, the personality, the character of the United States." His SDI "brought about the final capitulation of the Soviet Union" — "as we all know."

Morris delineates America's "angst" in the late 1970s, and how that changed under Reagan:

> When President Carter wasn't telling us about his hemorrhoids, he was telling us about our national malaise. "Patriotism" was an embarrassing word. Young people were snickering at men and women in uniform. The legacy of Vietnam infected our national discourse. But then something happened at Ronald Reagan's inaugural ceremony in January of 1981 — when he stepped in front of the microphone, and with entire predictability the sun burst out and bathed him in a glow. . . . There was something about that voice and that physical presence that indefinably and inexplicably made us feel that that America was finding its way back to self respect. The national mood changed overnight.

The chapter ends with this shocker: "[H]istory may decide that Reagan's legacy was spiritual as well as substantial."

It's difficult to identify a criticism of Reagan in these pages by Morris. There aren't any. If anything, as a biographer whose intent is to speak well and persuasively on his subject, Morris may impeach his credibility by giving such a one-sidedly gushing portrait.

Morris's flare for metaphor is manifest. The chapter opens with a splendid story I hadn't heard before. After receiving the 1980 nomination, Reagan set up headquarters at a Virginia farm

owned by the wealthy William Clements. The estate would be Reagan's home for a couple of months. On the first morning of his stay, the sound of chopping wood was heard from out front. Glimpsing out the window through curtains, Reagan could be seen at dawn chopping down the large ash that flawlessly split the lawn, fields, forest, and distant Blue Ridge mountains. Reagan took the liberty to chop it down with no one's approval, least of all the gracious host's. When asked why he axed it, he said simply, "Because it spoils the view." Morris elaborates:

> Had Reagan been an ordinary person, one would simply say, "How could he *do* that? It wasn't his house; it wasn't his view; it wasn't his tree." But Ronald Reagan was not an ordinary man. He was indeed extraordinary. So the questions are more complex. Why was it so urgently necessary for him to rearrange the landscape? Why was it done without consultation? . . . Why, in short, did Ronald Reagan get exactly what he wanted that morning, as he always had, from the time he was a teenage boy?
>
> The answer is both simple and mysterious, and it applies to all natural leaders. He chopped down that tree . . . because it was his nature to eliminate obstacles. It was not his nature to consider the feelings of the tree's owner or, for that matter, the feelings of the tree. His heart told him the tree had to go. His brain told him that the landscape would be better off without it. . . .
>
> The odd thing about Ronald Reagan was that although you might think that particular act crude and rude, even barbaric, he was in person both kindly and gentlemanly. He was *gentle* and gentlemanly. Never was there anyone with less personal hostility or desire to hurt.

This is Morris at his best. This chapter is the anti-*Dutch*. And therein lies a key irony. Let's be fair: Morris wrote some harsh things about Reagan in his 13-year tome. But he also wrote some good things. That mix may anger Reagan supporters but it will always grant Morris credibility with left of center — i.e., mainstream — historians and political scientists. Hence, positive portrayals like the one in this Wilson book will be all the more powerful. Conservatives don't need to be convinced of Reagan's greatness. But academic historians and political scientists do.

ONE SUCH PERSON is Fred Greenstein. Unlike the Wilson book, where several scholars divide up a handful of postwar presidents, Princeton's Greenstein alone tackles them all. As one of the high priests of presidential studies, Greenstein is worthy of the task. He earned his fame in a noble way: He almost single-handedly salvaged Eisenhower's presidential reputation. This was achieved via his 1982 book on Ike, *The Hidden-Hand Presidency*, which the *Economist* dubbed the "most important work on the presidency" since Neustadt's 1960 *Presidential Power*. Prior to that book, elite academics viewed Eisenhower as a bumbling,

lazy, unorganized, dumb, lucky president (precisely as they've viewed Reagan). Greenstein admits to having been among them, until his research firmly reversed this perception among both himself and colleagues. The change is evident in surveys by presidential scholars and historians. In the 1960s and 1970s, Ike languished near the "below average" category. By the 1990s, it was typical to see him ranked "near great."

Greenstein surely sends some of his liberal colleagues into apoplexy by noting that it took World War II, not the New Deal, "to bring about economic recovery."

This effort by Greenstein examines each postwar president's "difference" — based on leadership and "significance" — according to six criteria: public communication, organizational capacity, political skill, vision, cognitive style, and emotional intelligence.

The book is easy to read. Each president is laid out in well organized, brief chapters (usually under 20 pages). The book is an excellent resource for presidential facts and recommended readings, equipped with lengthy appendices on each. Most impressive is Greenstein's fairness. He is a liberal Democrat, and it's difficult to imagine, for instance, a more fair treatment of Nixon by someone of Greenstein's mold. The chapters on Bush, Ford, Carter, and Ike — the "Clark Kent of the American presidency" — are well done. The book also contains occasional factual gems, such as that Bush's *average* approval rating for his presidency was 61 percent, the highest average since JFK — and yet Bush wasn't reelected.

He does find much to criticize in Lyndon Johnson, as anyone should. He sees the Texan as a "legislative wizard" who was a flawed decision maker, poor manager, and emotionally wanting.

There are some annoying points in the Clinton chapter, such as Greenstein's invocation of academic clichés about Clinton's brilliance and the expected rigmarole about him being a "politically talented underachiever." Still, Greenstein powerfully makes the point that this "gifted" politician undermined himself with his notable "emotional challenges" and "debilitating psychic shortcomings."

His fairness breeds surprise in chapters on JFK and FDR. Greenstein believes that despite JFK's eloquence, he was deficient in vision, lacking an "overarching perspective." He makes a similar point about FDR, acknowledging that it may "border on blasphemy to suggest that a leader with Roosevelt's superlative inspirational qualities and sweeping imagination was deficient in vision." Greenstein then surely sends some of his liberal colleagues into apoplexy by noting that it took World War II, not the New Deal, "to bring about economic recovery."

The chapter on Reagan, for its part, is most intriguing and disturbing. It's

not surprising that Greenstein here criticizes Reagan's organizational skills, asserting that he had "no general views about presidential organization." While this is hyperbole, Greenstein is fairly safe criticizing Reagan here. The president possessed some organizational shortcomings, and it is probably fair to say that Iran-Contra stemmed from those liabilities, as Greenstein does. He also aptly notes that Reagan's method of delegating both helped and hurt him.

BUT THAT'S a relatively minor point. The truth is that this chapter is unnerving, even infuriating. There are points made by Greenstein that will please conservatives. In fact, if the introduction to the chapter were removed, this would be a fair and primarily positive assessment of Reagan. The problem — and it is a big, big problem — is the introduction. It begins with intermittent praise, only to finish by crediting Reagan's staff rather than the man himself, to wit:

> Ronald Wilson Reagan was at once innocent of much that went on in his own presidency and an overshadowing political presence in his times. Before his first year in the White House was over, Reagan presided over a fundamental reorientation of public policy in the realms of taxes and spending. In his second term, he played a *significant part* [emphasis added] in the peaceful termination of a global conflict that threatened the survival of humankind.
>
> If one asks whether Reagan was a leader whose actions were determined by circumstances or one who shaped historical outcomes, he has to be placed in the second category. But much of his impact was inadvertent, and he was more dependent than any other modern president on others to accomplish his aims. As a result, the policies of Reagan's presidency were to a large extent a function of the shifting cast of aides who served him.

A couple of those lines are beautifully put. The last two are damning — and not substantiated by either reality or Greenstein. It is ludicrous to say that much of Reagan's impact was "inadvertent." In both domestic and foreign policy, Reagan established a few clear objectives and devoted eight years of consistent, comprehensive policies and effort to accomplishing those intended goals.

Yet it's the other point in those last two lines that is utterly mysterious. Greenstein falls prey to the increasingly obsolescent myth that it was Reagan's advisers — the "smart men around the president" — who were responsible for the administration's success, not Reagan himself. Ironically, Greenstein himself goes on to prove this charge inaccurate. His chapter on Reagan is only 12 pages long. In multiple references on pages 147, 150, 151, 153, 154 (three times), 155 (five times), 156, and 157, he cites example after example demonstrating that Reagan himself was personally responsible for his administration's success. On page 150, clearly contradicting his opening, Greenstein calls Reagan the "spokesman-in-chief and principal negotiator of his presidency. . . . He was more than its star performer, however. He was its producer, setting the

tone and direction for his administration's policies." Really? A few pages ago it was that "shifting cast of aides," not Reagan. (By the way, if the aides are always shifting, but the policies remain the same, then maybe the sole constant — Reagan himself — is most responsible.)

Referring to Reagan's economic program on page 151, Greenstein said the president was "his program's principal spokesman and salesman. His timing was unerring." On pages 153-54, he emphasizes that Reagan was "emphatically not out of the loop" in relations with the Soviet Union. He trusted his instincts and "ignored those of his aides who were skeptical of Gorbachev." The president personally "set about to establish a working relationship with the new Soviet leader." Greenstein grasps the importance of Reagan's powerful and underappreciated negotiating skills and notes that they derive from his "labor leader" days — once again, not from his aides.

It's as if Greenstein wrote his thesis — as stated in the chapter's introduction — years ago, when it was influenced more by his partisan leanings than by evidence he amassed later.

Finally, on page 155, he writes this on the end of the Cold War:

> Reagan was far from the sole cause of the dramatic improvement in Soviet-American relations of the second half of the 1980s. That transformation would have been out of the question without the rise of Gorbachev. . . . Still, if Reagan had responded to Gorbachev in a spirit of confrontation, it would have been impossible for the Soviet leader to resist his hardliners.
>
> Instead, Reagan formed a personal bond with Gorbachev and supported those of his own aides who were preparing to find an accommodation with the Soviet Union, contributing to the end of the cold war simply by being who he was.

Hmm. Sounds like there's a personal role by Reagan in there somewhere. It's as if Greenstein wrote his thesis — as stated in the chapter's introduction — years ago, when it was influenced more by his partisan leanings than by evidence he amassed later.

Greenstein adds that Reagan "excelled" in both "vision" and rhetoric. Greenstein considers him among the most "rhetorically gifted presidents," rivaled only by FDR. He had high "emotional intelligence," confidence, self assurance, and "equanimity." He credits Reagan with a "great historical impact."

Again, these points ought to please conservatives. The accolades are coming from someone of Greenstein's stature and credibility. They will make a difference in the historical view of Reagan by academe. Greenstein isn't close to doing for Reagan what he did for Ike, but his comments will make a dent in improving the academic percep-

tion of Reagan. That is, if Greenstein's followers read beyond the introduction of this chapter.

I don't want to suggest the chapter is filled solely with accolades. Greenstein writes that SDI did, ironically, contribute to the reduction in Cold War tensions, "but not because of the reasons for which Reagan favored it." Why, then? "It made the Soviet leaders more pliable by threatening to impose unacceptable costs on the already strained Soviet economy." Sorry, but that's precisely the advantage that the administration saw in SDI. Yes, Reagan felt it was technologically feasible, but he also understood SDI as a tremendous bargaining chip to gain Soviet concessions.

GREENSTEIN ALSO talks of Reagan's "cognitive limitations." In one sense, he is not entirely off base when he asserts that Reagan was "astonishingly uninformed about the specifics of programs." Yet, this was often a virtue. Reagan focused on the big picture and left the details to others. Jimmy Carter didn't.

But Greenstein goes overboard in asserting, "Reagan's policy views were poorly grounded in information." Greenstein cites one: Reagan was a "congenital optimist who had no difficulty believing that a tax cut would increase revenues by fostering prosperity." For over 10 years now, we've had economic data showing that tax revenues under Reagan increased from $600 billion in 1981 to $1 trillion in 1989, and yet liberal political scientists and historians still haven't stopped to glance at the numbers.

Still, the Reagan chapter shouldn't be allowed to spoil the rest of Greenstein's work. Both this book and the Wilson collection improve our understanding of the presidency. Despite their occasional faults, they are informative, entertaining, and easy to read. They are also, in a certain way, encouraging. In total, the books offer words of wisdom on presidents from nine different contributors, most of whom are usually fair, admirably preventing partisanship from corrupting the analyses of their subjects — the way things should be.

This fact is all the more notable considering that nearly all the contributors are contemporaries of the postwar chief executives they assess. This makes their claims to objectivity all the more impressive. It's easy to be detached in writing about, say, Millard Fillmore. But it's much more difficult to be unbiased about, say, Nixon, Reagan, and Bush when you and all your friends and colleagues voted for and perhaps even campaigned for McGovern, Carter, Mondale, Dukakis, and Clinton. That said, maybe we should expect future assessments of Republican presidents to be yet more fair and positive once the assessors are no longer tendentious contemporaries. These two books suggest the glass may be half full.

LETTERS

Governors v. *Congress*

SIR, — The February/March 2000 issue of *Policy Review* carried an article by David Winston ("The GOP's Two Brands") arguing that there were two "brands" in the Republican Party: the governors and the Republican Congress. Winston argued that the governors have been more successful and the Republican presidential candidate and the Republican Party should look to the governors rather than the GOP Congress for a successful model.

The Republican governors have won high ratings in the polls. So has Bill Clinton.

The Republican Congress has changed the world. The liberal establishment press has attacked the Republican Congress because of its success in promoting conservative policy victories. The same press has been most supportive of those governors who have done the least to advance the cause of limited government.

Let's look at the record. In 1994, the Republicans won majorities in the House and Senate and won a net gain of 11 governors for a total of 32 GOP governors.

The Republican Congress passed welfare reform three times — Clinton signed the third effort; passed the Freedom to Farm Act ending the Hoover/Roosevelt/Stalin agricultural five year plans; passed the first tax cut in 16 years; began rebuilding the nation's defenses; passed a law making the deployment of Reagan's Strategic Defense Initiative American policy; reformed Medicare; passed Medical Savings Accounts; and held down spending such that the 10 year projections for deficits are $6 trillion less than Clinton's and we now run surpluses rather than deficits. Congress passed other bills that Clinton vetoed: the partial birth abortion ban, school choice for low-income students in Washington, D.C. The abolition of the death tax. Expanding IRAs and 401(k)s, sending Medicaid to the states.

Of the now 30 Republican governors, how many have accomplished one half as much in the same five years as the Republican Congress? And 15 of those Republican governors now have complete Republican control of both houses of the state legislature.

And how about electoral success? The GOP has won three congressional elections in a row. The House majority fell by eight in 1996 and five in 1998. A loss of 13 seats of a total of 236 or 5.5 percent while the Senate has increased its Republican members from 53 to 55 (a 4 percent gain), and since 1994 Republican governors have gone from 32 GOP governorships to 30 or a loss of 6 percent.

The Republican Congress's approval numbers and the generic polling numbers have increased dramatically from their low numbers immediately following the impeachment of Bill Clinton. Since January 1999 House Republican support among women has increased 14 percent, among independents by 19 percent. The GOP now polls ahead of Democrats in the generic ballot test.

And House and Senate Republicans have not done anything destructive. Republican governors have. Marc Racicot of Montana actually vetoed his Republican legislature's law to enforce paycheck protection; he threatened to veto school choice and right to work legislation. Utah's Gov. Leavitt has spent the past year campaigning to tax the Internet. Several governors have spent their political capital getting taxpayer funding for sports stadiums and raising gas taxes.

There are bright spots. James Gilmore of Virginia stands out as a strong governor who has brought his party to majority status while cutting taxes and promoting conservative causes nationally — e.g., not taxing the Internet. Florida's Jeb Bush, only a year in office, has cut taxes, abolished racial preferences, and passed a statewide school choice measure and is likely to reform his state worker pension system this spring.

The heart of the Reagan Republican majority, however, is the Republican Congress. Republican governors have the power that comes from patronage, state contracts, and the executive branch's command of the bully pulpit. To date, while some accomplishments have been won, they have not used this great power to advance the conservative agenda as successfully as the Republican Congress.

GROVER G. NORQUIST
Americans for Tax Reform
Washington, D.C.

THE AUTHOR RESPONDS,

Grover G. Norquist's response to my article, "The GOP's Two Brands," only reaffirms many of my points. One of my major contentions is that a key difference between Republican governors and the Congress is their focus on people first, then policy. Norquist's similar focus on policy is abundantly clear from his letter. In it, he mentions numerous policy initiatives, but never mentions "people" or "voters." In the "policy-first world," it's almost as if people are extraneous. Only policy matters. Policy is important, but it should be viewed and developed through a prism that reflects people's needs and wants.

Norquist implies that there's something questionable in the governors' strong popularity by lumping them in with Clinton, who enjoys continuing popularity in polls. If we've learned nothing else this year, we've learned the effectiveness and wisdom of comparing any Republican to Bill Clinton.

Which gets to another point in my article: that too many Beltway Republicans are totally focused on Clinton rather than creating a Republican agenda.

Norquist also cites statistics to show that Republican governors run a poor third in electoral gains when compared to House or Senate Republicans. Yet in 1997 and 1998, in the 38 states electing governors, you see the real difference in stark political terms. In these states Republican candidates for governor got 4.6 million more votes than 1998 GOP House candidates. Republican governors beat their Democratic counterparts by 7.5 percent, while in these states House Republicans won by 1 percent. Had the House Republicans managed the same margin as the governors, they would have achieved the expected historical outcome of a party in the second midterm election of a sitting president

— a significant pickup of seats instead of a five seat loss.

That margin was the difference between solidifying a Republican majority in the House and their present slim margin.

In recent weeks, House Republicans have begun to see improvement in their job approval numbers. The change is due, in large part, to their move away from a pure policy focus to a broader approach in which emphasis is also placed on communicating the benefits of policy initiatives to the American people, a strategy pushed by Conference Chairman J.C. Watts. These policy initiatives aren't just abstract intellectual concepts. They are solutions that will impact people's lives on a daily basis, and the public is beginning to understand that. In December 1998, 36 percent of the electorate approved of the job Republicans in Congress were doing. Now that number is around 51 percent. Each percentage point represents about 2 million people; so this shift means that about 30 million more Americans have a more favorable view of Republicans in Congress. Although this shows that the situation for House Republicans has improved, if congressional elections were held today, it is not clear who would win the House, Republicans or Democrats — which is an improvement from a year ago.

Norquist also ticks off a number of legislative actions taken by the Congress — the farm bill, national defense, Medicare, death taxes, IRAs etc. — as proof of the legislative superiority of their record. Most of these issues are the sole purview of the federal government, and Republicans should get credit for their progress. But implying that Republican governors are not as committed to Republican principles because their issues are state issues makes no sense.

A look at the governors' records provides equal reason for celebrating the progress of conservative ideas at the state level — for example, the implementation of Medicare and welfare reforms, lower taxes, education reform, lower crime rates. Criticism of this record is distressing and doesn't reflect the basic political shift that has occurred in this country. People want solutions, not dogma — whether left or right. They like Gov. Thompson of Wisconsin because he gave children the opportunity to have a better education with his bold school charter program. They like Gov. Engler of Michigan because he helped give people their dignity back with his extraordinarily successful welfare to work program. They like Gov. Whitman of New Jersey because she gave people in her state the resources to better provide for their families' health care, education, and retirement by cutting taxes in her state 37 times. These governors weren't trying to be conservative for the sake of being conservative. They were implementing conservative ideas to provide real solutions for real problems that people have. They were focused on the solution, not the ideology.

But equally important, these governors took the time to frame their ideas and communicate them to ensure they were clearly understood in order to develop support for their policy initiatives. The voters in their states have responded with enthusiastic support, which has also helped grow the Republican Party in those states.

Finally, I have to completely disagree

with Norquist that the heart of the Reagan Republican majority is found within the Republican Congress. President Reagan always understood one thing — that the people run this country. He had a unique ability to go around the power elite directly to the people. That's where his political strength was, and it is where the governors' is now, and that is where Republicans in Congress are trying to go.

DAVID WINSTON
Alexandria, Va.

The Politics of Tax Cuts

SIR, — Bruce Bartlett's assessment ("The Trouble with Tax Cuts," December 1999/January 2000) of the public apathy over cutting taxes is no surprise to those of us who work daily to mobilize grass-roots conservatives. During the 1999 budget debate, we found little grass-roots enthusiasm for Congress's $792 billion tax cut. There were three primary reasons for this lack of enthusiasm: (1) activists didn't trust the Republican Congress to deliver a meaningful tax cut, especially in the face of a Clinton veto; (2) some conservatives were swayed by Clinton's argument that the best use of the budget surplus is to reduce the debt; and (3) many more believed that Congress's tax bill was just another attempt to tinker with a tax code that should be scrapped and replaced with a flatter, fairer, simpler code.

As Bartlett suggests, while tax cuts per se don't resonate with typical Americans, fundamental tax reform has tremendous resonance. We've found that people viscerally understand that the tax code is unfair, it punishes our everyday values, it's too complex, and it's out of step with our new, digital economy. They are not moved by the patchwork tax bills that cater to various interest groups, but they can be motivated by a plan that promises radical change.

Indeed, just two months after Clinton vetoed Congress's tax bill, more than 500 activists packed a room in Orlando, Fla., for CSE Foundation's "Scrap the Code" debate between Majority Leader Dick Armey and Billy Tauzin. More recently in Manchester, N.H. more than 175 people came out on a cold night just nine days before Christmas to hear Republican Reps. John E. Sununu and John Linder debate the merits of the flat tax versus the national retail sales tax.

These and dozens of similar "Scrap the Code" events sponsored by CSE Foundation over the past two years are a powerful sign that Americans are hungry for real change and will respond to credible plans to overhaul the status quo. So rather than lament the decline of tax cuts as a political issue, political conservatives should raise the banner of fundamental tax reform. The American people are with us, they're just waiting for leadership.

SCOTT A. HODGE
Citizens for a Sound Economy Foundation
Washington, D.C.

SIR, — Bruce Bartlett's article takes a hard look at why the case for tax cuts is failing. But *is* the case for tax cuts

actually failing? Bartlett did not mention anything about the population from which the samples were taken by the pollsters. Wasn't it a biased population with regard to tax cuts?

Can we surmise what the population consists of? If 40 percent of the taxpayers pay no taxes, will they be interested in a tax cut? Obviously not. They will go for something from which they can benefit, perhaps education or health care. Of the remaining 60 percent, how many are Democrats and representatives of lobby groups that are for no tax cut since only the rich will benefit? A reasonable guess is half of them. This gives us an additional 30 percent that will not support a tax cut. This adds up to 70 percent of the population that will not make a case for tax cuts at this date. Although the mathematics may be crude, the indication is strong that the population is biased and any sample taken from it will also be biased. What can one expect?

Maybe a more accurate answer can be achieved if samples are taken from the population consisting of the top 25 percent of taxpayers. Another group that can be polled are the senior citizens who understand the effect inflation has on their savings and investments. They are the ones who have the highest effective tax rates. Polls, by themselves, do not constitute an analysis of the problem.

JOSEPH G. KUZAWINSKI
Niskayuna, N.Y.

SIR, — The liberal media have gone a long way to assist the liberals in Congress to convince the American people that taxes belong to Congress and a tax cut is "giving" money back. The folks who pay the most taxes deserve the lion's share of benefit from a tax cut, i.e., the ability to keep more of their own money to spend as they see fit rather than sending it to Washington so that politicians and bureaucrats can decide. The liberals treat taxes as a zero-sum game. They have no answer to the fact that with reduced tax rates, the wealthiest Americans actually paid more in taxes in terms of pure dollars during the 1980s; they paid an increased percentage of the overall tax burden during the 1980s; and federal revenue increased dramatically (almost doubling between 1980 and 1990) during the 1980s. I have yet to hear one whisper about this from a mainstream media source.

Even more sadly I have yet to hear more than a whimper about these facts from the current Republican leadership in Congress. They seem to feel they must apologize for the affluence of the 1980s.

Ronald Reagan's greatness stemmed from his steadfast vision of what America could be again. He did not let what the mainstream media might report keep him from "staying the course." Oh, that Republicans would have the fortitude to stand firm in that way again. They looked good in 1994 and since then have largely paid lip service to the concept. History will look more favorably on the Reagan presidency in another 25 or 50 years than it does even now.

GARY LUFT
Midland, Tex.

SIR, — How can we argue the "tax cut" question if we don't insist on making the distinction between tax *rates* and tax *revenue*?

It is disgraceful of conservatives not

to always insist on speaking of rate cuts. Make one word out of it: Ratecuts. Ratecuts. Ratecuts.

Surely, I don't need to explain the Laffer curve to *Policy Review*.

Don't let the bad guys trap us into using their terminology. That lets them set the agenda for discussion. No wonder we haven't won yet.

ARTHUR MCCOMB
Poughkeepsie, N.Y.

The Reagan Reputation

SIR, — I read with great interest Paul Kengor's article, "Reagan Among the Professors: His Surprising Reputation" (December 1999/January 2000). However, I would like to make one correction regarding Professor Kengor's characterization of my article in the Fall 1997 issue of *Political Science Quarterly*. In that piece I was not seeking to determine which leader was most responsible for the end of the Cold War, as he states. Rather, the article contends that the Reagan administration adopted a more conciliatory policy toward the Soviet Union in January 1984, and considers why such a change occurred.

The research for the PSQ article ultimately led to a book, *The Reagan Reversal: Foreign Policy and the End of the Cold War*. While the book seeks neither to condemn nor to applaud President Reagan, it does conclude that the president played a far more active role in the making of foreign policy than his contemporaries gave him credit for.

When I began presenting my research at conferences during the mid-1990s my findings were met with one of two responses: polite silence, or jokes about the president's perceived incompetence. Rarely did a colleague engage in serious discussions about the Reagan presidency. These meetings proved to be frustrating experiences, and I resigned myself to the idea that my book would be dismissed out of hand.

However, the climate within academe has shifted. During the past few years I have found my colleagues to be treating the Reagan period with far greater seriousness, curiosity, and integrity. At conferences scholars have increasingly been engaging in meaningful debates about the president and his legacy. One example of these shifting views has been the reviews of my book, which have been overwhelmingly positive.

I am not sure why this shift has occurred, but it underscores the integrity of my colleagues. This is what the spirit of academic inquiry should be all about.

BETH A. FISCHER
University of Toronto
Toronto, Canada

SIR, — As a political science Ph.D. candidate, I am well aware of the negative treatment of Ronald Reagan, especially among many of my peers. Any defense of Reagan's policies causes me to be labeled a "right wing, Christian Coalition nut," which apparently places me outside of the graduate student cognoscenti. Among mostly liberal academic professors, however, I have noticed a reluctant acknowledgement of Reagan's leadership and administra-

tive abilities. While they do not go out of the way to recognize his eight years in office or his many accomplishments, when the "Reagan debate" is raised they present a fair treatment.

Also as a student of political science I, like Kengor, have been astounded at the acknowledgement by those who *are* the cognoscenti in the political science field regarding Ronald Reagan's legacy. Kengor's article reads like a who's who among political science elites, and their treatment of Reagan is fair and highly favorable. This is clearly important for the "real Reagan record" and his lasting legacy.

I would be remiss, however, if I did not point out a most troubling issue with regard to academic treatment of Ronald Reagan. With regard to the "two presidencies" theory, the foreign presidency and the domestic presidency, Kengor clearly demonstrates that Reagan's record in the former is beginning to be reevaluated, while I am afraid in the latter, this is not the case. As one interested in the domestic presidency, I have seen nothing in any of the major issues (e.g., civil rights, health care, welfare) that would support the concept of a reevaluation among academic professors. As a professor of criminal justice I am even more aware of this treatment among criminologists and academics, who treat Reagan's domestic policies regarding crime and drugs with contempt.

Although there is clearly not enough space to review all of the criticisms, several examples among criminal justice elites should suffice. One of the first salvos fired was by Tony Platt in *Crime and Social Justice* in a 1987 article entitled "U.S. Criminal Justice in the Reagan Era: An Assessment." His "assessment" was an outright attack on every aspect of the Reagan administration's crime and drug polices — notwithstanding his acknowledgment that Reagan had to pass both crime and drug legislation with overwhelming bipartisan support. Susan Caringella-MacDonald, a sociologist, in the journal *Contemporary Crises* in 1990, rails against the idea that Reagan even addressed the issue of crime, despite her own evidence that crime increased by 5.2 percent from 1975 to 1984, but decreased by 11.2 percent from 1980 to 1984 (a decrease of 15.4 percent after controlling for population). In addition she lambastes Reagan for his "war on drugs," but never acknowledges the crack epidemic of the mid-1980s, which the noted criminologist Alfred Blumstein has stated was the *most* significant crime event in the 1980s. Simply put, Reagan responded.

Other authors have acknowledged the decrease in crime during Reagan's two terms in office but have gone out of their way to explain it as nothing more than demographic change (see Darrell Steffensmeier and Miles D. Harer in a 1991 issue of the *Journal of Research in Crime and Delinquency*). Michael Tonry, another leader in the criminal justice field, in a 1994 *Crime and Delinquency* article go so far as to charge Reagan with being a racist (a la the allegations against Nixon), arguing that he was intentionally targeting the black population. Finally, in some cases the allegations have become so derogatory and childish that one wonders how they make it past peer review. Herman Schwendinger and Julia Siegel Schwendinger, regarding Reagan and Bush's policies on crime and drugs, go so far as to state "if booby prizes for

crackpot proposals are to be awarded to anyone, Presidents Reagan and Bush should get them."

I would ardently agree with Kengor's assessment in terms of the foreign presidency of Ronald Reagan, but would like to highlight that the current assessment of Ronald Reagan's domestic presidency is not so favorable. I have yet to find one academic journal article or book that has acknowledged Reagan's successful internal security policy related to crime and drugs, as Kengor has found for Reagan's external security policies with regard to the Cold War, keeping Iran from dominating the Persian Gulf, or ending the Soviet war against Afghanistan. Data show a declining crime rate during Reagan's presidency, and policies that were put in place during Reagan's tenure that have contributed to further declines in rates in the 1990s — especially his fast and definitive response to the crack cocaine epidemic. Reagan's vindication among academics, at least for now, is relegated to his successful "foreign presidency."

WILLARD M. OLIVER
Glenville State College
Glenville, W. Va.

Governing by Supermajorities

SIR, — The legislature, the executive and the courts increasingly have been untrue to the Framers' scheme of limited government, and this tempts us to create new structural mechanisms to rein in federal spending. John O. McGinnis and Michael B. Rappaport have eloquently pointed out the need for restraint and offer as the mechanism a rule that increased appropriations should require a supermajority vote of Congress ("The Case for Supermajority Rules," December 1999/January 2000). Unfortunately, it is by no means clear that enactment of the proposal would lead to less spending. The result instead might be additional entrenchment of favoritism, further encroachment of the judiciary into the establishment of national priorities, and an even more demoralized electorate.

I fear that McGinnis and Rappaport underestimate the creativity of the K Street lobbyists, who angle for advantages for small interest groups, and craven politicians, who pander with advantages to large interest groups. As the authors themselves note, the need to obtain a supermajority for necessary spending gives lobbyists for special interests more ability to hold out until their pet provisions are included. The creation of the complex body of rules that will become necessary to define "spending," "entitlements," "taxes," and "programs" will make legislation more of an insiders' game than ever. The inevitable result will be that interest groups will make their incursions into the public fisc more obscure and that a corps of administrative mandarins will engage in increasingly arcane rulemaking in the attempt to keep up. Ultimately, of course, disputes will wind up in the hand of judges who will take the Congress as their ward and further erode the doctrine of separation of powers.

Consider the analogous attempt to regulate campaign spending. Disclosure requirements aren't enough, the zealots say. Chasing from "hard" money, to

"soft" money, to "indirect" expenditures by independent supporters, they would push their point until free speech is drastically reduced. Could the attempt to constrain governmental spending by new mechanisms result in the creation of less ingenious incursions into our liberties? In an era where Republican candidates vie to spend national tax dollars to hire local teachers, perhaps a rededication to the essential nature of federalism and fidelity to the constitutional doctrine of enumerated powers is what we really need.

If the electorate cannot discipline itself, there is not much hope that the attachment of bells and whistles to the constitutional scheme is going to save it.

STEVEN J. EAGLE
George Mason University
Arlington, Va.

SIR, — Although the authors, John O. McGinnis and Michael B. Rappaport, make an interesting case, I believe their theory suffers from at least one fatal flaw. It is not even the simple majority who assemble major bills that expand government, but a small minority who happen to be members of one committee or other because of the length of time they have been in Congress. These committees go about "buying" the votes of other congressmen by adding various "favors" (i.e. pork) until they can pass the bill largely intact and unchallenged.

Adding supermajority requirements would not change this wasteful system and could even make things worse, since more votes would need to be "purchased" by the committee working on the bill.

I believe that term limits are still a better first step, because they attack the wasteful seniority system adopted by the professional career politicians we now are afflicted with.

CLIFF COPASS
Greenfield, Wisc.

Russia After Yeltsin

SIR, — I read with interest Ariel Cohen's analysis of the Russian situation after the election of Putin ("From Yeltsin to Putin," April/May 2000). As usual, he is right on target on many issues. History's assessment of Yeltsin will probably depend on what course Russia takes under Putin; Yeltsin's political instincts were more democratic than his governing stance; and nurturing civil society in Russia is crucial.

However, as has often been the case in American Sovietology (now, Russology?), the Enlightenment-generated taxonomies Cohen employs fail to take into account the process of Russia's territorial expansion and the legacy of expectations, perceptions, and fears which the expansion has generated. The taxonomies espoused by American researchers fail to encompass what might be called areas of indeterminacy in Russian discourse that Western discourse has seldom penetrated.

Winston Churchill's saying that Russia is a riddle wrapped up in an enigma alluded to these areas, and so did Count Mikhail M. Speranskii's remark that "in Russia, [we] seemingly have everything: institutions, people, development, industry — but all this is make-believe." The popular rendition

of this situation is the expression "the Potemkin village."

My study of these issues (as expressed in *Imperial Knowledge: Russian Literature and Colonialism* (published in March 2000)) indicates that Russian colonialism was one reason why these areas of indeterminacy have arisen. The process of Russia's colonial expansion has been ignored in the West, because colonies have generally been regarded as territories overseas.

In the Russian case, colonies are contiguous to ethnically Russian lands. The Russian state was enlarged by a series of wars, annexations, and diplomatic maneuvers whose concealment left "areas of indeterminacy" in Russian thinking and discourse. Just as Australia or Canada are not "English" (in the sense of being legitimate possessions of the London government), so are Siberia and the Far East not "Russian." The present dependence on Moscow of these and other territories will eventually be dissolved, and the only question is how. At present, Russia is a federal state only on paper. A genuinely federal status of many of Russia's contiguous colonies would be a preferred way for a devolution of power.

But, as the second Chechen war of 1999-2000 has demonstrated, other and less fortunate solutions are also possible. Many of Russia's problems stem from an impossibility to govern from Moscow territories that are incompatibly diverse from the point of view of ethnicity, history, economy, and demography.

Problems related to Russia's colonial history need to be integrated into discourse about Russia, in my opinion. Otherwise, even such excellent analyses of the present situation as those of Ariel Cohen will continue to be incomplete.

EWA THOMPSON
Rice University
Houston, Tex.

What's Next In Asia?

SIR, — Implications of "American hegemony" aside, there is little reason to doubt Ashley J. Tellis's assertion that the United States must remain actively engaged with Asia's nations ("Smoke, Fire, and What to Do in Asia," April/May 2000). But Tellis only tangentially explains how America must go about ensuring peace and stability in the Pacific when he writes "through forward deployment, if necessary." American "critical interests" are best realized by a forward-deployed American presence, primarily in the form of naval forces, above, on, and below the sea. Nothing in the entire American military arsenal can provide the combination of endurance, stealth, speed, and firepower of aircraft carriers, submarines, and an amphibious ready group of Marines.

The problem is that there aren't enough subs and ships to go around. America cannot reasonably expect to have influence in the Pacific — or protect itself from threats across the Pacific — if current shipbuilding trends continue. Already, the Pentagon has put the brakes on the misguided submarine levels called for in the 1999 Quadrennial Defense Review, which called for a fleet of only 50 attacks subs, a number that,

once deployments and maintenance cycles are taken into account, allows for only about a dozen subs available in the Pacific and Indian oceans on any given day. And though the Joint Chiefs now agree that a higher number is needed, the fact remains that the United States has built only five subs since 1990.

Carriers face the same dilemma. The once-sacrosanct number of carriers required — 15 — has dwindled to 12, even though those 12 aren't enough to satisfy national security requirements. The "musical chairs" shifting of carriers during the air war in Kosovo is one example of this. The *Enterprise* had to leave the Mediterranean a week before the Kosovo war started to provide aircraft for patrols over Iraq. It wasn't until two weeks after the war started that the *Roosevelt* carrier battle group arrived on station in the Mediterranean. That move, in turn, left the western Pacific without an American carrier for weeks.

Does this sound like a force posture capable of meeting the Clinton administration's warfighting requirement of two overlapping theater wars? It sure doesn't to me.

PHILLIP THOMPSON
Lexington Institute
Arlington, Va.

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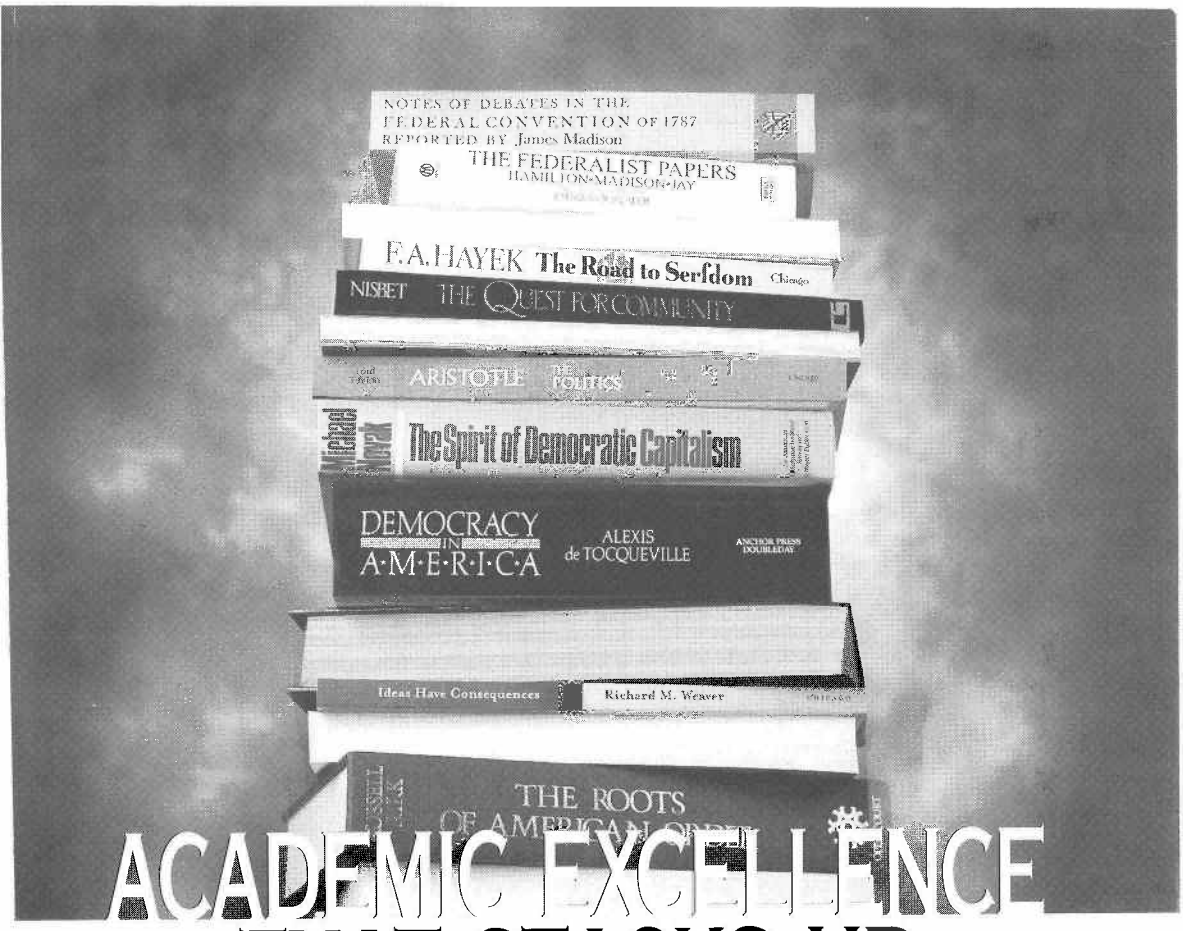

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