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THE WHITE HOUSE
WASHINGTON

Date: 4-15-1991

TO: Members of the Domestic Policy
Reform Breakfast Group

FROM: **RICHARD W. PORTER**
Special Assistant to the President
and Executive Secretary to the
Domestic Policy Council

Attached are some articles I thought
you might find of interest.

EMPOWERMENT
A NEW PATH FOR PEACE CORPS IN THE '90S

by

THE HONORABLE PAUL D. COVERDELL
Director, Peace Corps of the United States

to

THE HERITAGE FOUNDATION

Washington, D.C.

March 27, 1991

Thank you, Ms. O'Bierne for that kind introduction and thank all of you for the warm welcome.

Even though this is my first opportunity to visit with you, I feel very much at home here. I think that may be due, in part, to the fact that a good friend from Georgia, former Congressman Ben Blackburn, served as Chairman of the Board of this great organization for several years from late 1975 until 1982. Proud of work . . .

And speaking of Georgia, ----- BUBBA JOKE.

And speaking of differences, someone asked the question during the preparation of these remarks: "Is a presentation by the Peace Corps Director to the Heritage Foundation in and of itself an oxymoron?"

I think not. If you are among those who believe in individual empowerment, in national empowerment for developing nations, then the concept of the Peace Corps is a sound, practical, pragmatic idea. After all, it has passed the acid test; it's been copied by the Japanese.

In the Peace Corps, we have one of our nation's most potent and efficient empowerment tools. We empower people, transferring to them knowledge and skills to improve their own lives. We are a major empowerment force for the fledgling democracies of 89 and 90 -- the revolution years. In this particular case, we are rapidly and efficiently deployed. We are bringing these new democracies the language of commerce, science and technology. We are bringing them critical entrepreneurial and business skills. Importantly, we are there with them shoulder-to-shoulder and for the long haul. In most countries served by the Peace Corps we are the largest American presence on the scene. As our Ambassador to

Poland said, Peace Corps was there the "firstest with the mostest."

Although I hesitate to infer that any nine digit number is small, even if its first digit is a one, we do our work for, let us say, a very reasonable and cost efficient sum of money.

Indeed, in the last three decades, the face of the Peace Corps has become more mature. The average age of today's American Volunteer is 31. And they are likely to be better skilled than yesterday's Volunteers. They come to us trained in engineering, veterinary medicine, health and nutrition, computer sciences, marketing -- you name it.

There are some who may have used Peace Corps as a severe extension of gratuitous paternalism. I prefer and believe the analysis of so many of our overseas Ambassadors who view these American Volunteers as America's best representatives. I am determined that empowerment will remain Peace Corps' driving force. It was the King of Lesotho himself who said to me less than a year ago, "Your mission is to work yourself out of jobs here."

I've talked considerably about the pragmatic effects and mission of Peace Corps. Nevertheless, it remains a lofty business as well. Our ranks are made up of Volunteers, a deeply rooted American idea evoked by a President who said, "Ask not what your country can do for you, but what you can do for your country." Or more recently, a President saying "No life can be viewed as successful that has not included community service." Why should it be the United States that takes on so much in world order? Margaret Thatcher gave the answer a couple of weeks ago, she said that Americans and Europeans alike sometimes forget how unique the United States of America is. No other nation has been built upon an idea,

the idea of liberty. She went on to say that the European nations are not and cannot ever be like this. They are the product of history and not philosophy.

When this Administration assumed its responsibilities in January of 1989, American Peace Corps Volunteers were doing good work in 63 nations throughout the world, but there were issues to be confronted.

There were those engaged in the business of rigid definitions of who would benefit from our work and who would not. We have chosen a new course. If reasonable requests are made from any nation, and it is within our capacity to respond, we ought to do so. The pursuit of Peace should not be constrained by political and philosophical boundaries. This has taken us to new regions and peoples of the world such as the countries of Eastern Europe -- Poland, Hungary, Czechoslovakia -- and there will be others. As the sun sets on 1992, we will find American Volunteers serving in nearly 90 countries of the world.

We found a Peace Corps cadre that had been and remains all too Caucasian. We found over half its ranks filled from the citizens of just ten states. We must remember that Peace Corps service is empowering for those who serve, as well as those who are served -- empowering for America. In one way or another, every Volunteer will say, "I went to teach, but learned more than I taught." All who understand this unique organization realize that the United States is the self-enlightened benefactor.

Peace Corps therefore must be inclusive and not exclusive. It must mirror the face of America. It must embrace and include all America's rich diversity. In the 90s, we will demonstrate and acknowledge that Peace Corps service is an investment in the future, an academic extension. We will

demonstrate that Peace Corps is an instrument of empowerment for those who serve as well as those who are served. We will see regional balance within our cadre and we will see much greater participation on the part of America's minorities. In 1990, minority participation surpassed 10% and it's climbing.

Among the more important findings in early 1989, was one of an unfulfilled mission. From the outset, Peace Corps was meant to be an empowering tool for America and its interests in the world. From the outset, Peace Corps was charged with bringing back the knowledge gained of the world for utilization here in our own country. There was broad consensus that this goal, this mission, remained undone.

As one who believes America already owns the assets to accomplish almost anything it chooses to do, I was gravely concerned that this enormous international asset -- over 100,000 Returned Peace Corps Volunteers -- speaking over 200 languages and dialects, with knowledge of over 100 nations remained so unconnected here at home. Here at home, where our geography deficiency is unparalleled among industrialized nations and our lack of international knowledge is cause for world embarrassment.

Can we find anyone remaining who believes that the United States can remain competitive in world economies, in world interdependence, and yet remain internationally illiterate?

Our task was to connect the international knowledge, asset, if you will, already acquired to the demonstrated need here at home in America.

We have closed ranks with the National Governors' Association and the White House in focusing on education, in particular, grades three through twelve. We are connecting through a program entitled World Wise Schools Peace Corps' knowledge of the world with American classrooms, connecting Volunteers to teachers, Volunteers who are active and returned, by producing teachers' guides on geography and international knowledge. We are matching assets with needs -- assets already owned and paid for. Does it work? Who better to answer that question than a teacher: "I am a teacher of eight boys with behavior disorders and learning disabilities at Barwell Elementary School in Aurora, Illinois. I have been teaching students with behavioral disorders and learning disabilities for 16 years. It has always a struggle to spark their interest in geography and language, at least until this year. The most exciting innovative and enriching experience in my career began when my classroom was linked with Peace Corps Volunteer Terri Kay in Nepal. The World Wise Schools program has pumped new life into my classroom."

But our greatest asset is a human one. The individual who had the tenacity to compete in the arduous process of becoming a Volunteer, to survive the environment and rigors

of two years of service, to return with new found moxie, patience, and perseverance. Our task to put that asset face-to-face in the trenches at work on America's most difficult problems.

To do so we assembled an array of partners -- partners equally committed to getting at America's ills.

We assembled private sector partners -- Xerox, Pfizer, Coca-Cola -- some of America's finest universities -- USC, Tulane, Auburn. These institutions are receiving Returned Peace Corps Volunteers in advanced education programs. But to be a partner in this project, the returned Volunteer agrees to work simultaneously in some of America's toughest school environments. This results in the people being put head-to-head in teaching math and science and biology where teachers with these skills simply do not exist. Empowerment?

Certainly. It was the late Alan Woods, President Reagan's administrator of AID, who said, "Real development must come from the bottom up, not the top down. Earlier ideas cast governments or ruling elites as the chief source of human progress. We see a new understanding of development, one focused on the efforts of individuals working for their own economic and social improvement."

Conservatives should be Peace Corps' biggest boosters. But, as is so often the case, we have allowed liberals to lay

claim to, and define, one of our nation's most impressive assets. It is time for that to change. Compassion and empowerment are not mutually exclusive. Indeed, they are complementary.

Peace Corps, an empowerment tool at home and abroad? You bet! Americans bolstering our traditional uniqueness and defining place in the world? Certainly. The Volunteers, our best ambassadors and representatives? A resounding yes!

Peace Corps and the Heritage Foundation, an oxymoron? Not on your life!

A DRAFT FEDERAL BILL ALLOWING CONSUMER CHOICE
AS TO AUTO INSURANCE

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This draft language is a discussion document to outline the nature of the Pro-Choice proposal and to suggest possible wording for a federal bill.

Section 1: Title. This Act may be cited as the Consumer Choice in Motor Vehicle Insurance Act.

Section 2: Definitions. In this Article, unless the context otherwise requires:

(a) "Accidental bodily injury" means bodily injury, sickness or disease, or death resulting therefrom, arising out of the ownership, operation or use of a motor vehicle, or while occupying such vehicle, which is accidental as to the person insured.

(b) "Added personal protection" means an optional policy, plan or coverage for personal protection additional to basic personal protection which each insurer issuing motor vehicle liability insurance in any state may make available.

(c) "Basic personal protection" means a policy, plan, or coverage for personal protection which provides benefits for loss resulting from accidental bodily injury resulting from a motor vehicle accident. Basic personal protection benefits consist of the following with an aggregate limits equivalent to the minimum limits for personal injury under a state's financial responsibility law.

(1) Medical expenses.

(2) Loss of income from work, up to \$200 per week.

(3) Replacement services loss, up to \$100 per week.

(4) Death benefits of five thousand dollars if the death of the injured person occurs within one year after the date of a motor vehicle accident and was a direct result of the accident.

(d) "Cause of action for injury" means a claim for accidental bodily injury for economic or non-economic loss or both, caused by the negligent conduct or intentional misconduct of another person, and includes a claim by any person other than a person suffering accidental bodily injury based on such injury, including but not limited to, loss of consortium, companionship or any derivative claim.

(e) "Collateral sources" means any benefit a person receives or is entitled to receive from any source, other

than added personal protection benefits, as reimbursement for loss resulting from an accidental bodily injury. Such benefits shall be subtracted from loss in calculating the added personal protection benefits and damages payable to a personal protection insured for uncompensated economic loss. In calculating the benefits payable to a personal protection insured, no subtraction may be made for the amounts the personal protection insured receives or is entitled to receive:

- (1) in discharge of familial obligations or support;
- (2) by reason of another person's death, except that amounts so received from social security or workers' compensation shall be subtracted; or
- (3) as gratuities. Any amount paid by an employer to an employee or the survivors of the employee is not a gratuity.

(f) "Commissioner" means the official in any state charged with supervision of the state's agency for regulating insurance.

(g) "Dependent" means all persons related to another person by blood, marriage, adoption, or otherwise who reside in the same household at the time of the accidental bodily injury, and receive financial services or support from him or her.

(h) "Economic loss" means pecuniary loss and monetary expenses incurred by or on behalf of an injured person as the result of an accidental bodily injury.

(i) "Injured person" means a person who sustains accidental bodily injury when eligible for benefits under a policy providing personal protection. The term also includes where appropriate the personal representative of an estate.

(j) "Loss of income from work" means 80% loss of income from the work the injured person would have performed if he or she had not been injured, reduced by any income from substitute work actually performed by him or her or by income he or she would have earned in available appropriate substitute work he or she was capable of performing but unreasonably failed to undertake. Loss of income from work does not include any loss after the death of the injured person and payment for the period of disability is not to exceed two years from the date of the accident.

(k) "Medical expenses" means reasonable amounts incurred by an injured person for necessary medical, surgical, radiological, dental, ambulance, hospital, medical

rehabilitation and professional nursing services, and eyeglasses, hearing aids, and prosthetic devices.

(1) "Motor vehicle" means:

(1) a vehicle of a kind required to be registered under the laws of this state relating to motor vehicles, other than a vehicle with three or fewer load-bearing wheels;

(2) a vehicle, including a trailer, designed for operation on a public roadway by other than muscular power, except a vehicle used exclusively on stationary rails or tracks. For the purposes of this section "public roadway" means a way open to the use of the public for purposes of automobile travel.

(m) "Non-economic loss" means any loss other than economic loss and includes, but is not necessarily limited to, pain, suffering, inconvenience, physical impairment, mental anguish, emotional pain and suffering, hedonic damages, and loss of any of the following: earning capacity, consortium, society, companionship, comfort, protection, marital care, parental care, filial care, attention, advice, counsel, training, guidance or education, and all other non-economic damage whether formerly recoverable under the law of this state or not. Non-economic loss does not include economic loss caused by pain and suffering or by physical impairment.

(n) "Occupying" means to be in or upon a motor vehicle or engaged in the immediate act of entering into or alighting from the motor vehicle.

(o) "Operation or use" means operation or use of a motor vehicle as a motor vehicle, including, incident to its operation or use as a vehicle, occupying it. Operation or use of a motor vehicle does not cover conduct within the course of a business of manufacturing, selling, or maintaining a motor vehicle, including repairing, servicing, washing, loading or unloading, nor does it cover such conduct not within the course of such a business unless such conduct occurs while occupying a motor vehicle.

(p) "Owner" means the person, other than a lien holder or secured party, who owns or has title to a motor vehicle or is entitled to the use and possession of a motor vehicle or is entitled to the use and possession of a motor vehicle subject to a security interest held by another person. Owner does not include: (i) a lessee under a lease not intended as security, or (ii) the United States of America or any agency thereof except with respect to motor vehicles for which it has elected to provide insurance.

(q) "Person" includes, in context, an organization, public or private.

(r) "Personal protection" means a policy, a plan or coverage which provides basic or added personal protection benefits, for loss resulting from accidental bodily injury, regardless of fault.

(s) "Personal protection insured" means:

1) a person identified by name as an insured in a contract providing personal protection benefits;

(2) while residing in the same household with a named insured, the following persons:

(A) a spouse or other relative of a named insured; or

(B) a minor in the custody of a named insured. A person resides in the same household if he or she usually makes his or her home in the same family unit, even though he or she temporarily lives elsewhere.

(3) A person with respect to accidents within a state affected by this Act who sustains accidental bodily injury while occupying or through being struck by a motor vehicle insured for personal protection, unless the person has rejected the coverage under section 9.

(t) "Personal protection insurer" means an insurer or a qualified self-insurer providing personal protection benefits.

(u) "Replacement services loss" means expenses reasonably incurred in obtaining ordinary and necessary services from others, not members of the injured persons household, in lieu of those the injured person would have performed for the benefit of the household. Replacement services loss are not due if the injured person is entitled to receive personal protection benefits for loss of income from work for the same period. Replacement services loss does not include any loss incurred after the death of an injured person, and the disability period shall not exceed two years from the date of the accident.

(v) "Resident relative" means a person related to the owner of a motor vehicle by blood, marriage, adoption or otherwise and residing in the same household. A person resides in the same household if he or she usually makes his or her home in the same family unit, even though temporarily living

elsewhere.

(w) "Uncompensated economic loss" means that portions of economic loss arising out of an accidental bodily injury of an injured person which exceeds the benefits provided by a personal protection insurer under a policy providing such benefits (except for loss incurred by a deductible under such a policy) and collateral sources. Such loss is payable under the same terms and limitations as under added personal protection, but shall not be subject to the limit of liability of such coverage.

Section 3: Insurance Requirements.

(a) Each motor vehicle required to be registered in any state can be insured for basic personal protection and for at least the minimum property damage liability limits mandated under such state's financial responsibility laws if the owner of the motor vehicle exercises his or her right to be so covered under section 9. An insurance policy written by a personal protection insurer under this Article to provide basic personal protection is deemed to include all basic personal protection coverage required by this Article. Coverage under basic personal protection meets the requirements of the financial responsibility laws of the state of the owner so choosing.

(b) In addition to added personal protection coverage, a personal protection insurer may make available additional insurance coverage. The additional coverage shall include bodily injury liability insurance, collision coverage and comprehensive physical damage. The exercise of the option not to purchase added personal protection by a named insured or an applicant shall be binding on all personal protection insureds covered under the policy.

(c) A personal protection insurer is authorized to write personal protection insurance without any deductible or subject to reasonable deductibles under regulations issued under section 16.

Section 4: Geographic Application of Personal Protection Policies.

(a) A personal protection insurer shall pay to a personal protection insured benefits for accidental bodily injury sustained within the United States, its territories or possessions, or Canada.

(b) A Personal Protection Policy issued in any state

contains coverage such that it satisfies the financial responsibility laws of any other state or Canadian Province in which the insured motor vehicle is operated.

Section 5: Persons Not Entitled to Personal Protection Benefits.

(a) A personal protection insurer has no obligation to provide benefits to or on behalf of an injured person who at the time of the accident:

- (1) was involved in a motor vehicle accident while committing a felony or while voluntarily occupying a motor vehicle that he or she knew to be stolen;
- (2) was driving under the influence of alcohol or illegal drugs;
- (3) was occupying an uninsured motor vehicle owned by the person;
- (4) was guilty of intentional misconduct (If the person dies as a result of his or her own intentional misconduct, his or her survivors are not entitled to personal protection for loss arising from the decedent's injury or death);
- (5) has retained his or her right to sue under section 9;
- (6) was an uninsured motorist;
- (7) was operating or occupying a motor vehicle with three or fewer load bearing wheels; or
- (8) was injured while occupying a motor vehicle owned by, or furnished or available for the regular use of, the injured person, or the injured persons resident spouse or relative, if such motor vehicle is not described in the policy under which a claim is made, or is not a newly acquired or replacement motor vehicle covered under the terms of the policy.

(b) A personal protection insurer may include in personal protection coverage any person under subsection (a) if the insurer states its intent to do so clearly on the policy.

Section 6: Priority of Benefits.

(a) A person who is entitled to receive personal protection

benefits may claim the benefits in the following order up to the limits of personal protection in the listed category

(1) The personal protection covering a motor vehicle involved in the accident, if the person injured was an occupant of or was struck by the motor vehicle.

(2) The personal protection under which the injured person is or was an insured.

(b) If two or more insurers at the same priority level are obligated to pay personal protection benefits the insurer against whom the claim is first made shall pay the claim and may thereafter recover a pro rata contribution from any other insurer at the same priority level for the costs of the payments and for processing the claim. For the purposes of this section, an unoccupied parked motor vehicle is not a motor vehicle involved in an accident unless parked in such a way as to cause unreasonable risk of injury.

Section 7: Other Sources of Indemnity for Personal Protection Benefits.

(a) A personal protection insurer is only secondarily obligated to indemnify an injured person, such that benefits payable for the same accidental bodily injury under collateral sources are subtracted from the personal protection benefits payable to the injured person. A provider of personal protection benefits or other collateral sources shall not recover any amount against the claimant under a claim for personal protection benefits or for uncompensated loss and shall not be subrogated to any rights the claimant may have.

(b) Basic personal protection is subject to a two hundred fifty dollar deductible with respect to a claim by the named insured or a person residing in the same household with the named insured. A basic personal protection insurer may write policies with a deductible that is higher or lower than that prescribed by this subsection under rules adopted by the Commissioner.

(c) Notwithstanding any provision to the contrary, a personal protection insurer is subrogated, to the extent of its obligations, to all of the rights of its personal protection insured with respect to an accident caused in whole or in part by:

(1) the negligence of an uninsured motorist;

(2) the negligence of the owner or operator of a motor

vehicle having a gross weight of 7,000 pounds or more;

(3) driving under the influence of alcohol or illegal drugs;

(4) intentional misconduct; or

(5) any person who has retained tort rights and liabilities.

Section 8: Legal Liability; Exemption of Personal Protection Insured.

(a) No person covered by personal protection insurance has a cause of action for injury against any other person covered by personal protection insurance, including any other person for whom a personal protection insured is vicariously liable, except as provided in subsections (b), (c), and (d) of this section, and except for accidental bodily injury caused by other than the ownership, operation, or use of a motor vehicle by such other person.

(b) A personal protection insured has a cause of action for injury not limited to economic loss against another person covered by personal protection who was driving under the influence of alcohol or illegal drugs or was guilty of intentional misconduct. The injured person may, as an alternative, claim personal protection benefits up to the amount specified in such other driver's policy, plus reasonable attorney fees under subsection (e). Any party who provides personal protection benefits or collateral sources to the injured person has a right of subrogation.

(c) A personal protection insured may bring a cause of action for injury against another person covered by personal protection insurance for uncompensated economic loss, plus reasonable attorney fees under subsection (d).

(d) Benefits received under this section for personal protection benefits or uncompensated economic loss include reasonable expenses incurred by the person in collecting the benefits and include reasonable attorney fees. Part or all of the attorney fees may be deducted from the benefits otherwise owing if a significant part of the claim was fraudulent. In an action brought by a personal protection insurer, attorney fees shall be awarded to the injured person only if the injured person is the prevailing party.

(e) A personal protection insured has a cause of action against another personal protection insured for property damage only to the extent that the property is not covered

by collision insurance.

Section 9: Right to Elect Personal Protection.

(a) To ensure preservation of the right to elect personal protection coverage along with limitations on tort rights and liability contained in this Article, the Commissioner shall establish by rules procedures whereby any person may execute a form approved by the Commissioner for electing such coverage and limitations. The rules shall establish the effective date of such an election. Any such election by a person who is under a legal disability shall be made on behalf of such person by a parent, legal guardian or conservator and shall remain in effect until revoked or until the person is no longer under legal disability, whichever is sooner.

(b) A motor vehicle liability insurance policy issued to satisfy the financial responsibility laws of this state may include basic personal protection benefits to cover those persons who have not elected tort limitations.

(c) An election of tort limitations shall be effective on the date prescribed by rule by the Commissioner, and the election applies to any motor vehicle accident occurring after that date. The election remains effective until it is revoked in writing on a form prescribed by the Commissioner. The revocation is effective on the date prescribed by rules adopted by the Commissioner and remains effective until it is withdrawn in a manner prescribed by the Commissioner. The election form is a public record.

(d) The Commissioner shall establish and maintain a program designed to assure that consumers are fairly informed about the comparative cost of personal protection insurance and liability insurance for those persons who choose to elect limitations on tort rights and liabilities, as well as the benefits, rights and responsibilities of insureds under each type of insurance.

(e) A person who elects personal protection coverage along with tort limitations on a form approved by the Commissioner is bound by that choice and is precluded from claiming liability of any party based on being inadequately informed as to the coverage or rejection. This restriction also applies to relatives residing in the same household as such person.

(f) Each motor vehicle insurer issuing motor vehicle liability insurance in this state may require that all policies within a household be either personal protection

policies or liability policies which satisfy the financial responsibility law of this state.

Section 10: Personal Protection Benefits and Causes of Action for Injury.

No subtraction is made against personal protection benefits due because of the value of a cause of action for injury, except that after recovery is realized under such cause of action, a subtraction is made to the extent of the net recovery, exclusive of reasonable attorney fees and other reasonable expenses incurred in effecting the recovery. If personal protection benefits have already been received, the recipient thereof shall repay to the insurer paying personal protection benefits out of such recovery sum equal to the personal protection benefits received but not more than the realized net recovery, and the insurer shall have a lien on the recovery to this extent. Any remainder of the net recovery from such a cause of action applies periodically against loss as it accrues, until an amount equal to the net recovery under such a cause of action has been subtracted.

Section 11: Periodic Payments of Personal Protection Benefits

(a) Personal protection benefits are payable monthly as loss accrues. The benefits are overdue if they are not paid within 30 days after the personal protection insurer receives reasonable proof of the fact and the amount of loss sustained, except that a personal protection insurer may accumulate claims for a period of not to exceed one month, in which case benefits are not overdue if they are paid within 20 days after the period of accumulation. If reasonable proof is not supplied for the whole claim, the amount supported by reasonable proof is overdue if it is not paid within 30 days after the proof is received by the insurer. Any part or all of the remainder of the claim that is later supported by reasonable proof is overdue if it is not paid within 30 days after the proof is received by the insurer. to determine the extent to which any benefits are overdue, a payment is treated as made on the date a draft or other valid instrument is mailed or, if not so posted, the date of delivery. the personal protection insurer may pay personal protection benefits to a person who supplies necessary products, services, or accommodations to the injured person. All overdue payments bear interest at the rate of 150% of the prime rate in effect at the time the payments became overdue.

(b) If overdue benefits are recovered against a personal protection insurer or are paid by a personal protection

insurer, the provisions of section 8(d) pertaining to expenses and attorney fees apply.

Section 12: Cancellation or Nonrenewal Prohibited; Penalty.

An insurer shall not cancel or refuse to renew the policy or increase the premium of an insured solely because of a claim for personal protection benefits or for a claim for collision damage to the insured vehicle, unless the insured caused the accident.

Section 13: Limitation of Actions.

If no personal protection benefits have been paid, a person may bring an action against the personal protection insurer not later than two years after the accidental bodily injury occurred. If personal protection benefits have been paid, a person may bring an action to recover further benefits not later than two years after the last payment of benefits.

Section 14: Rules:

The Commissioner may adopt additional regulations to provide effective administration of this Article that are consistent with its purposes and are fair and equitable.

Section 15: Terms, Conditions and Exclusions.

All insurance coverages provided under this Article are subject to such terms, conditions and exclusions as have been approved by the Commissioner.

Section 16: State Changes:

(a) Nothing contained in this Act precludes a state from opting by legislation or rule changes to this Act so long as such changes do not significantly or unfairly discriminate against those electing personal protection coverage along with property damage liability coverage compared to those who do not so elect, or vice versa.

(b) Notwithstanding subsection (a), nothing contained in this Act precludes a state from retaining a requirement of coverage for personal injury from motor vehicle accidents payable regardless of fault that are higher than the state's minimum limits of financial responsibility for liability for personal injury. But such state may, at any time, lower the minimum level of required benefits payable without reference

to fault to any level at or above its minimum level of financial responsibility for liability for personal injury.

(c) Such a state may also retain and amend its law applying benefits payable regardless of fault for property damages which replaced liability based on fault.

Section 17. Federal Jurisdiction.

The District Courts of the United States Shall not have jurisdiction under sections 1331 or 1337 of title 28, United States Code, over any civil action arising under this Act.

Section 18. Effective Date.

This Act takes effect on _____ and applies to the use or operation of motor vehicles on and after such date.

4-11-1991

Return of the Storm Troopers

The scene was reminiscent of another time and place. Two hundred students—some carrying canes and sticks—come roaring into a quiet lecture hall and post themselves menacingly in the aisles and at the exits. The threat of violence is clear and soon fulfilled. The mob disrupts the talk, jeers the speaker. An elderly, distinguished professor in the audience barely escapes a beating at the hands of one of this mob.

It is a scene right out of the 1930s and the reign of Hitler's brownshirts—the burners of books who helped make German streets and universities safe for Nazism and its ideal of racial purity. In fact, the above described event took place March 14, 1991, on an American campus: the State University of New York at Binghamton.

It is a fitting if bitter irony that the subject of the disrupted lecture was the victory over totalitarianism represented by the fall of the Berlin Wall. But the crowd of students—organized by a faculty member—that stormed into the lecture hall had not come to hear talk of freedom's triumph. They had come to wreck the proceedings because the talk was being given under the auspices of the university's newly formed chapter of the National Association of Scholars, an organization leading the struggle to preserve academic freedom, currently under siege in our universities.

The politically correct on our faculties, ever busy ensuring that their views are the only ones heard or taught, not surprisingly spend a lot of effort these days propagandizing against the NAS. At Binghamton word was put out that white supremacists were sponsoring the lecture. The faculty busy spreading this thinly veiled incentive to violence of course knew better as, doubtless, did the bloc of mostly black and minority students in the room, especially when the lecturer took the trouble to inform the audience at the outset that the rumor was entirely false.

The lecturer was political science professor Richard I. Hofferbert, who had been on the scene when the Berlin Wall was dismantled and had taken photographs—large, glass-framed pictures—which he exhibited to the audi-

ence. As one of the pictures—of his small grandchild on the shoulders of an East German policeman—was passed around, one of the student demonstrators grabbed it and hurled it across the crowded room. The elderly faculty member nearby chastised the student, who promptly lunged at him. The student blew his nose, sauntered up to the lectern and dropped his used tissue in the speaker's coffee cup.

Jeers and verbal assaults were directed at the speaker, as crowds brandishing sticks milled around. A leader of the Black Student Union did try to urge calm, which is a lot more than can be said for the faculty leading the jeering section.

The response of the school's president, Lois Defleur, has been curious, to say the least. About the gang that disrupted the meeting she had only exculpatory comments. It is a posture designed to appease vocal political groups that is all the rage among too many college administrators these days, one that gives some clue as to why student-faculty political cadres feel free generally to impose a reign of terror on any whose views they oppose.

Queried about what action the university might take, Professor Defleur explained that the student who hurled the picture had some problems, that the picture had not in any case shattered. She further noted that the elderly professor whom the picture hurler tried to attack had "spoken very insultingly" to the student. Of the general disruption and intimidation, the president said, this had much to do with national problems, social ills left festering.

This will not seem like much of an answer to those asking what disciplinary action the administrators are prepared to take to make clear that there are certain standards of behavior required of students—to say nothing of faculty—and that inciting to disrupt and physical threat as happened at Binghamton is an unacceptable violation of those standards. It is an answer that citizens supporting this state institution with their tax dollars should be interested in hearing.

Education Dept. in High Gear

Alexander Seizes Moment, Has Bush's Ear

By Kenneth J. Cooper
Washington Post Staff Writer

If the Education Department seemed to move in slow motion under Lauro F. Cavazos, the maligned agency has shifted into fast forward since Lamar Alexander succeeded him as education secretary three weeks ago.

In that brief period Alexander, a former Tennessee governor, has moved to quell a controversy over minority scholarships, assemble a top management team with some star quality and win White House approval of an education agenda that claims to redefine the public school. Yesterday he announced steps to attack the department's biggest financial problem, its poor management of student loan programs.

NEWS ANALYSIS

What is unclear is whether all the activity will result in educational progress. There are clear political reasons behind Alexander's bustle, 19 months before President Bush seeks reelection as the "education president."

Next week, Bush is expected to embrace Alexander's agenda, cast it as "revolutionary reform" and use the proposals, in the words of one official, to "inoculate us against charges we have no domestic agenda."

Several of Alexander's proposals, such as giving parents more choice in where to send their children to school and comparable national tests of student achievement, are old ideas already supported by the administration. But Bush's endorsement of an education agenda is likely to attract new attention to the proposals, while critics are sure to question the level of federal funding and the appropriateness of imposing Washington's ideas on locally controlled schools.

The central position that education is about to assume in the administration's domestic policy is one at least two Cabinet veterans have unsuccessfully sought.

Housing and Urban Development Secretary Jack Kemp proposed a series of urban initiatives that were anchored by housing programs, while Health and Human Services Secretary Louis W. Sullivan has made little headway on his goal of

action to help Americans who lack health insurance.

By presenting the White House with three dozen proposals, Alexander reversed what had been the usual course of education policy-making under his predecessor.

The White House imposed the policy of greater parental choice of schools on Cavazos and gave him only a bit part in the "education summit" with the nation's governors that led to six national education goals.

Robert H. Atwell, president of the American Council on Education, higher education's main lobby, predicted that Alexander would not "cede a lot of territory" to the White House staff or the Office of Management and Budget.

"We've never had anybody as [education] secretary with the kind of political clout, political track record and education track record coming into the job," Atwell said.

Keith Geiger, president of the National Education Association, the nation's largest teachers union, praised Alexander's top appointments but sounded less enthusiastic about his market-oriented agenda, which the Wall Street Journal outlined last week.

"It looks like he's putting a business operation in place from what I read, and I think we're going to find out schools are not like that," Geiger said.

Alexander and his aides have been reinforcing a sense that education has become a priority of the administration and that the department has become activated.

Asked why he had taken the unusual step of tapping a White House aide to be his chief of staff, Alexander replied last week: "Maybe people will start getting used to the idea that education is a priority for the president."

Since March 18, his first day in office, Alexander has:

- Revoked controversial restrictions on scholarships designated for minorities, told colleges to continue their current aid policies and ordered department officials to conduct a policy review. Those steps closely resembled what the Amer-

ican Council on Education urged, and the higher education group will survey colleges on their scholarship policies as part of the review.

- Reached to the private sector to name David Kearns, chairman of the Xerox Corp. and a leading corporate advocate of education reform, as his top deputy. Government sources said Bush would also nominate Diane S. Ravitch, a noted historian of education, to oversee educational research and improvement.

Alexander recruited Stephen Danzansky, director of cabinet affairs and deputy assistant to the president, to be his chief of staff. Usually, officials leave the department to go to the White House. Yesterday Michael J. Farrell, an executive with Wheelabrator Technologies Inc. in New Hampshire and a former White House aide, assumed oversight of student aid programs as a deputy assistant secretary. Alexander also replaced six senior staff members with acting appointees.

- Restructured the oversight of student aid programs. Rising defaults on student loans, expected to reach \$2.7 billion this year, have been responsible for giving the department a reputation for being poorly managed.

- Submitted to the White House an education agenda that, officials said, advocated experiments in outside operation of public schools, more parental choice of schools, national tests and adult education programs. The administration has always embraced school choice, and was moving towards joint endorsement with the governors of national tests.

His first day on the job, Alexander told reporters the nation "might want to redefine what the character of a public school is" by letting entities other than school districts operate publicly subsidized schools. His proposal calls for several experimental schools with few federal conditions.

Gordon Ambach, executive director of the Council of Chief State School Officers, said he had not seen Alexander's plan but had a ready question about the experimental schools he proposed. "Where is he going to get the money to do it? That's an interesting question," Ambach said.

Race-Norming

If "quotas" has become a volatile word in the debate over the Democratic Civil Rights Bill, it is nothing compared with the potential social combustion of "race-norming."

Race-norming is the employment practice of adjusting job-test scores according to separate racial percentiles. In practice, test results are separated into racial groups, and then whites, blacks and Hispanics are ranked by percentile against only members of their own race. Then, when the results are presented to an employer, they are combined without reference to race and listed by rank. Effectively, a person whose real score on the test was high could be listed at a lower percentile than someone whose real score was lower but whose percentile-within-race was higher. Public agencies are the main users of race-norming, but an unknown number of private companies are also believed to be using the method.

The issue entered the Civil Rights Bill debate directly last month when Rep. Henry Hyde of Illinois asked the House Judiciary Committee to ban the adjustment of test scores on the basis of race, sex, religion or ethnicity. A straight party vote defeated his amendment 21 to 13. All Democrats voted against and all Republicans in favor.

Committee Chairman Jack Brooks made the head-spinning claim that a ban on race-norming would be a "thinly veiled attempt" to push Congress into regulatory issues. "It's a very sticky, difficult issue," added Rep. Pat Schroeder, who suggested holding hearings. That's Beltway-speak for burying the subject.

The rationale for race-norming is that it is needed to compensate for tests that are said to be biased against blacks and Hispanics. "Any tests that emphasize logical, analytic methods of problem-solving will be biased against minorities," says Nancy Amuler-Marshall, the director of research for Atlanta's public schools. On the other hand, the National Research Council concluded that there is no inherent bias in the Labor Department's General Aptitude Test Battery (GATB), the most widely used test of cognitive, perceptual and manual-dexterity skills.

No one knows exactly how extensive race-norming has become since the Carter administration agreed to allow segregated scoring on the GATB. At least one private test—the E.F. Wonderlic Personnel Test—uses some race-norming.

The racial weighting has generally

been done clandestinely. It first came to light last year, after the Richmond News-Leader reported that the Virginia Employment Commission had altered the test results of 150,000 job applicants who had taken the GATB. Employers using the test—Philip Morris, Canon, Nabisco, Anheuser-Busch and the city of Norfolk among others—had no way of knowing which applicants had actually scored best on the tests. After the publicity, the Labor Department announced plans to suspend use of the GATB for two years pending a study. Meanwhile, the Equal Employment Opportunity Commission, which confirmed it had been threatening to sue several Fortune 500 companies for not race-norming test results, said last December it was reevaluating its policies after a Journal article on this page criticized them.

But race-norming could become institutionalized by some of the legislative activity taking place around the Civil Rights Bill. Linda Gottfredson of the University of Delaware, the author of the Journal article (Dec. 6, 1990), says she has found a redefinition of "test fairness" in the Senate Labor Committee's "statement of legislative intent" for the Civil Rights Bill favored by liberal Democrats. It says that a test that is unbiased and job-related would still be ruled "unfair" if there was a disparity in the test scores of various racial groups. Thus, the easiest way for a firm to avoid a lawsuit would be to use race-norming, which would become a form of quotas.

There are two main groups hurt by race-norming: the applicants whose scores are artificially made to appear lower and the many hard-working, able minorities for whom such treatment is both unwanted and ultimately debilitating.

The tendency of some groups to score lower on tests is a cause for concern, but the solution is not the use of distorted test data. A better answer lies in improving basic educational performance so that more people can meet objective standards that apply to all.

A fundamental tenet of the early civil-rights movement was that all Americans would be judged by their abilities and their character, and not by the color of their skin. It is one of the movement's large accomplishments that this principle is now a matter of general consent in the United States; surely it is not in many other countries. To insist on measures such as race-norming is to risk unraveling much good.

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On Guard For 159 Years

Council's lone Republican earns Democrats' respect

BY WILLIAM KLEINKNECHT
Free Press Staff Writer

In his campaign for the Detroit City Council, Keith Butler offered a Republican vision for the rebirth of a heavily Democratic city. He declared war on big government and challenged the taken-for-granted dominance of Democrats.

Now, some Democrats are among his biggest fans. Butler's 14 months on the council and his emergence as a chief critic of Mayor Coleman Young have boosted his appeal among many people who initially recoiled.

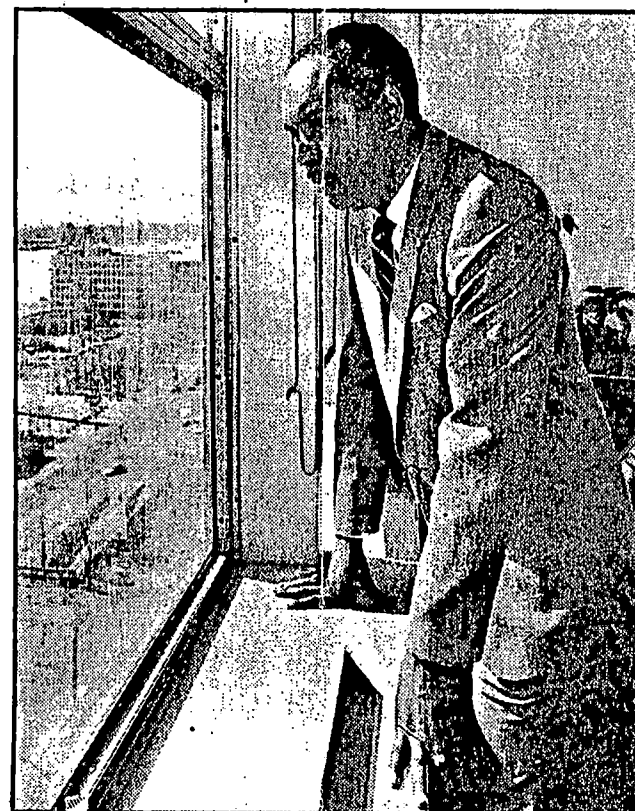
Butler, 35, has put forth a handful of conservative proposals, but they have been overshadowed by his clashes with the Young administration. Political observers see Butler as

behaving more like a reformer than a right-wing ideologue.

"I don't share his political philosophy, but the fact that he's got the guts to act on his own is impressive," said Morris Gleicher, a liberal Democratic consultant. "I think he's lived up to his pledge to examine each issue on its own merit."

Butler was a curiosity when he ran for council in 1989 — a black Republican church pastor who had been courted by President George Bush. But he stunned the political establishment by unseating Councilman John Peoples, the first incumbent vanquished in 24 years.

BUTLER, Page 2B



Detroit City Councilman Keith Butler has emerged as the council's chief critic of Mayor Coleman Young. The Republican won his council seat in 1989, defeating incumbent John Peoples.

HUGH GRANNUM/
Detroit
Free Press

Detroit council's lone Republican earns respect

BUTLER, from Page 1B

While its members are chosen in nonpartisan elections, the council had been solidly Democratic for decades, and Butler's victory delighted the state-level Republicans who helped bankroll his campaign. Today, no Detroit elected official has better access to Gov. John Engler.

Even his critics concede that Butler has been an earnest councilman. He questions administration officials relentlessly and regularly expresses indignation at what he sees as the city's inefficiency.

"He's brought some new life to a council whose membership has been pretty stagnant," said Jeffrey Garfield, another Democratic consultant who expresses grudging respect for Butler.

Not everyone has accolades. To some critics, he is just a knee-jerk opponent of Young. The mayor said at a recent news conference that what "Butler doesn't know about city contracts can fill this room."

Others say Butler is too conscious

of his media image and that much of his behavior appears aimed at laying the groundwork for a future mayoral candidacy.

Butler's legislative track record is spotty. He has sponsored dozens of successful resolutions, but has so far won passage for only one of his five proposed ordinances.

He proposed a neighborhood initiative plan in January that would allow community groups to contract privately for municipal services in exchange for a rebate on city taxes. Young called the idea crazy, and it hasn't gone anywhere.

Butler worked for months on an ethics ordinance that would require city officials to declare their outside business interests. But support faded when it was learned the issues were covered in a similar state law.

He lost a narrow 5-4 vote on his proposal for a ballot referendum on whether the City Charter should be changed to limit a mayor to eight years in office and council members to 12.

But Butler successfully sponsored

an ordinance that required the city retirement board to divest pension funds from companies that deal with South Africa — a proposal that he says belies his image as an archconservative.

In a recent interview in his office on the 13th floor of the City-County Building, Butler downplayed his setbacks. He said he expected resistance and is not discouraged.

"People can count on me to keep putting forth new ideas and keep fighting," he said, "whether or not I win."

Success in the face of long odds is nothing new for Butler. He founded his nondenominational church, Word of Faith Christian Center, on Detroit's east side in 1979 with only 10 members. It now boasts more than 5,000 members and a thriving elementary school.

A Detroit native who graduated from Henry Ford High School, the University of Michigan in Dearborn and Rhema Bible School in Tulsa, Okla., Butler was reared on the same Democratic tradition as most black

Detroiters with a political bent.

But Butler said he saw the Republican light in the early 1980s, convinced that government programs had done blacks more harm than good.

He also began to view the mayor he once admired as a detriment to the city. That opposition became public in 1988 when Butler led a coalition of clergy against Young's attempt to legalize casino gambling.

He has given Young more problems on the council. For all of his conservative rhetoric, Butler is probably best known publicly for his alliance with Council President Maryann Mahaffey and Councilman Mel Ravitz, two Young opponents and the council's most liberal members.

The three stood alone in opposition to the expansion of City Airport, the demolition of Ford Auditorium and a number of other administration proposals.

Butler said he regrets being painted as a foe of the mayor, especially since he still sees much to admire in Young.

"But I make up my own mind what I think is best," he said.

4-11-91

Democrats' Double Talk on Affordable Housing

"They cling to programs that transfer income, not assets, to the poor."

While the Democratic Party acknowledges President Bush's brilliant victory over Saddam Hussein, it is also trying desperately to claim that his administration lacks a domestic agenda. Democratic National Chairman Ron Brown said recently that the administration has "absolutely no program at all" for housing and other domestic concerns. One newspaper reported that Democratic Party aides are looking forward to a period of "Bush-bashing" on domestic policies, including housing. A recent vote in Congress, however, proves that it is the Democratic Party that is intellectually bankrupt when it comes to meeting the pressing domestic needs of our nation.

Less than one year ago, Congress overwhelmingly passed the National Affordable Housing Act. One leading senator said that "it is time for us to act on this issue right now. We have been going now for years and years and years without an adequate response to the housing needs of this country." Another acknowledged Senate leader on housing policy said the programs authorized by the new bill represented the "best thinking" on the issue, and would "trigger a tremendous commitment . . . to address this pressing national need." A top Senate liberal said that in passing the act, "we begin to chart a new course in housing policy—one that is long overdue. . . . We have a housing crisis in America, and it is about time that Washington, working with states, local governments, the private sector and nonprofit organizations began to solve it."

President Bush signed the National Affordable Housing Act in November 1990, saying it would give "poor people . . . control over their own lives and access to property and jobs, so that all Americans can live a life of dignity, responsibility and economic opportunity." The Department of Housing and Urban Development and the Office of Management and Budget worked at a record pace to get the regulations needed to implement new programs like HOPE, which provides opportunities for low-income residents of public housing

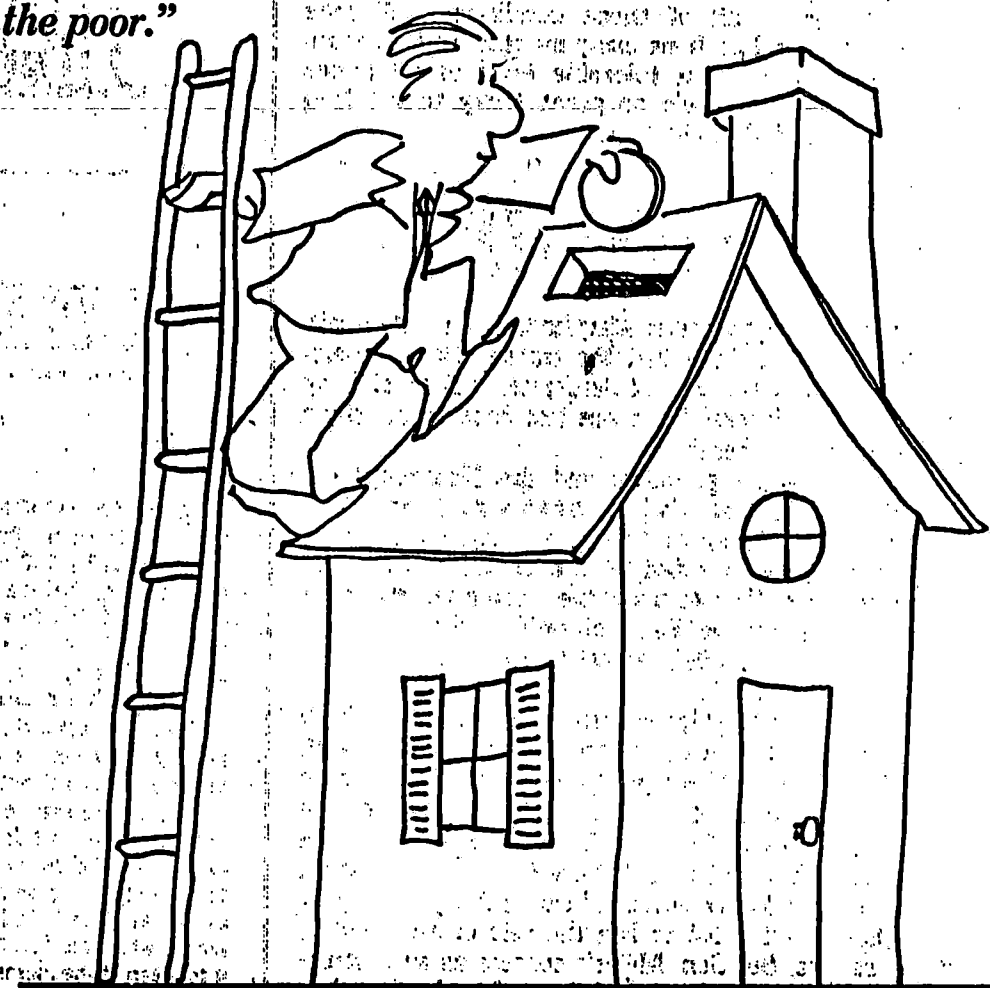
to become homeowners; HOME, a flexible block grant for states and cities to meet their affordable housing needs, and Shelter Plus Care, which ties housing for the homeless with health care and supportive services in place. The president asked Congress to pass a budget-neutral supplemental to provide funding for these new programs in 1991.

The House considered the president's request first, and the Senate recently completed its deliberations. More than 85 percent of the Democrats in each house voted "nay."

Yes, you read that right. When the president proposed to initiate a bold, innovative approach to address the nation's severest housing needs—an approach that passed Congress almost unanimously less than a year before—Democrats rejected it overwhelmingly. Why?

Their answers are particularly disturbing. Some claim that the low-income Americans are "not demanding to be empowered" through homeownership. Others say that the states, cities and nonprofit organizations that worked for years to pass this legislation are unequipped to make it work. Some housing advocates say we "shortchange the beneficiaries" of programs by shifting a modest amount of funding from public housing construction program into the HOME block grant. But HOME would help 37,000 families within 18 months, compared to only 7,000 units of public housing that would be built five years from now under current law. When public housing has more than 100,000 vacant units that now go unused by anyone except drug dealers, it is hard to justify building more.

The fact is that when they had the chance to appropriate funds for programs they had voted for in theory less than a year before, the Democratic Party rushed instead to the defense of the failed programs of the past. They cling to programs that transfer income, not assets, to the poor. Low-income families receive just enough aid to lock them in perpetual dependence and despair, but never the incentives or the property needed to achieve full



economic freedom. They claim, in the words of one Democratic member of Congress, that low-income people "aren't ready" for homeownership. But it is really the Democrats who are not ready to break with the old programs and the entrenched special interests and bloated bureaucracies that go with them.

The Democratic leadership in Congress excels at making rhetorical bows to the poor, but the leaders raised their voices and wielded their votes in opposition when asked to do

something real to help. They want to launch new initiatives to help thousands of low-income families achieve decent housing and homeownership when their vote means little, but when it really counts they vote to preserve programs that create only dependency and despair.

Congressional Democrats revealed that they think tomorrow is the best time to help the poor. President Bush wants to help today.

The writer is secretary of housing and urban development.

William Raspberry

Infant Mortality, Race, Behavior

The good news the Department of Health and Human Services is expected to announce today is that America's infant mortality rate has taken its largest decline in a decade: from 9.7 deaths per thousand in 1980 to 9.1 per thousand in 1990. The bad news is that the gap between blacks and whites remains essentially unchanged; black babies are still twice as likely as white babies to die during infancy.

The persistence of the disparity must be a matter of particular chagrin for HHS Secretary Louis Sullivan, who has made known that one of his top goals is to reduce the inequality of health care available to blacks and whites. And it seems likely that blame for the continuing inequality will be placed (not necessarily by Sullivan) on the persistence of racism, reflected in the inadequacy and underfunding of government programs.

The chief result of such an accusation may be to distract attention from solutions that have a better chance of producing results.

In at least two ways, the infant mortality rates are a paradigm for what is happening in black America generally. The first is that, government programs and state and local good intentions notwithstanding, the disparity between blacks and whites persists. Blacks die sooner, earn less, lose their jobs more quickly, stay out of work

longer, leave school earlier and go to jail more frequently. The second is that identifying the gap as racial does not solve the problem and may not even point the way toward solution.

To be sure, some of the disparities have their roots in racism. The income and employment gaps, for instance, are partially explained by the fact that white employees tend to see their black employees as less valuable and more dispensable. Black criminals may be more likely than their white counterparts to be sentenced to prison. Blacks, being generally poorer than whites, may get less adequate and less timely health care, leading to lower life expectancy.

But it may be that racism explains less of the disparities than other factors, principally individual behavior. The point was made recently by George E. Graham, a professor of nutrition and pediatrics at Johns Hopkins University, with particular reference to infant mortality.

The subject of Graham's op-ed in *The Wall Street Journal* was not racism but the Supplemental Food Program for Women Infants and Children (familiarly known as WIC), which he said has failed—not from inadequate funding but from flawed theory.

The theory is that high infant mortality rates are a factor in low birth weights, which, in turn, have been linked to inadequate nutrition. WIC,

instituted 19 years ago, was supposed to solve the problem by providing dietary supplements for women and children at "nutritional risk."

Why hasn't it worked? "The problem that WIC seeks to correct—malnutrition—is not the cause of low birth weight," says Graham. "Premature births account for 70 percent of low birth weight births, and undernutrition plays a very small role—if any at all—in causing premature birth. . . . Since very few American low birth weight births have nutritional causes, they cannot have nutritional solutions."

Graham suggests that we may have been misled by analogy to low birth weights in the Third World, which do tend to be caused by inadequate nutrition due to poverty. But in the United States, he argues, poverty alone does not cause low birth weight.

The rate of low birth weight for the children of immigrant black mothers, for instance, is much closer to the rate for white mothers than that of native-born blacks. "Mexican-American women born in the U.S. are much more likely to give birth to low birth weight babies than Mexican-American women who were born in Mexico. Jamaica, almost all of whose people are black and poor, has a substantially better infant mortality rate than

Washington, D.C.—even though two-thirds of eligible Washingtonians participate in WIC."

So what accounts for the persistence of low birth weights and consequent infant mortality in the United States? Individual behavior, says Graham: drug abuse (particularly cocaine use), smoking, previous abortions, stress and infections related to sexual promiscuity. He estimates that 60 percent of the U.S. infant mortality rate results from these causes.

Graham's point is the folly of looking for nutritional solutions to non-nutritional problems. Mine is the necessity of looking beyond racism for the solution to problems that affect blacks disproportionately. This is not to absolve racism, which unarguably exacerbates the host of problems that hit blacks with such disproportionate force. For instance, at least some of the stress that Graham cites as a cause of low birth weight might be traceable to racism.

But it seems clear that many of black America's problems, from high incarceration rates to youth deaths to high infant mortality, are behaviorally induced. It goes against the civil rights orthodoxy to say so, but government programs, no matter how sensitively conceived or generously funded, would save us from our own disastrous behavior. To find solutions, I'm afraid, begin a lot closer to home.

A New Civil Rights Agenda

By WILLIAM J. BENNETT

We are in the midst of a sea-change in civil rights."

The most obvious evidence is the degree to which the current civil rights movement is on the defensive. The House Labor Committee's Democrats renamed the "Civil Rights Act of 1991" the "Civil Rights and Women's Equity in Employment Act of 1991." (Can the "Civil Rights, Women's Equity in Employment and Environment Act of 1991" be far behind?) They supporters of last year's civil rights legislation are backing away from this year's version. The willingness of Congress and the White House to voice opposition to the current civil rights bill is growing.

A public opinion study last month commissioned by the Leadership Conference on Civil Rights (a coalition of liberal groups) found strong support for the principles of equal opportunity, efforts to extend opportunity for the disadvantaged, ward for merit and hard work, and fairness in the workplace. It also found (to the dismay of the groups commissioning the study) a widespread view that civil rights organizations are not committed to those same principles. According to Celinda Lake, one of the authors of the study, "the civil rights organizations and proponents of civil rights were no longer seen as... addressing generalized discrimination, valuing work and being for opportunity."

Charges

Of course the leaders of the civil rights movement will be the last to acknowledge fundamental changes that are occurring: as guardians of the old order, they have the most to lose. And on the surface, the things will probably not change. Opponents of the 1991 civil rights bill can expect to be on the receiving end of ugly charges of (at best) "insensitivity" and (at worst) harboring racist sentiments. "Progressive" politicians, columnists and many within the media will line up behind supporters of the civil rights legislation. But to no avail, I suspect. It is becoming increasingly clear that the current civil rights agenda, and its propagators, is rapidly losing its moral and political force. The civil rights leaders hitched their wagon to the quotas bandwagon. The legislation being promoted by the civil rights leadership and liberal Democrats is (like last year's legislation) a de facto quota. Opponents know it. Businesses know it. And so, undoubtedly, do many of the supporters. But most Americans simply believe in the principle of equality; they are necessarily opposed, therefore, to quotas and reverse discrimination. In an attempt to square their "civil rights

agenda" with political reality, supporters of the civil rights legislation have therefore apparently adopted a two-track strategy.

First, doublespeak. Deny that the civil rights bill is a quota bill. Talk instead about things like "disparate impact" suits, minority "set asides," "time lines," "race norming" job tests, and the like. Second, try to preempt any serious debate on the effects of quotas and reverse discrimination. If a public official is against quotas and invites a public debate about them, accuse him of "naked exploitation," "race-baiting tactics," and "visceral appeals to racial fears." Fortunately, the two-track strategy seems to be failing.

A second reason that the current civil rights agenda is in trouble is the growing disparity between the most pressing problems facing black America (dissolution of the family, births to unwed mothers, black-on-black violence, low academic achievement, the number of young black men dropping out of the economy), and the nar-

John DiIulio Jr. of Princeton argues that the underclass problem is mainly a crime problem. "Those closest to the problem," Mr. DiIulio wrote in the summer 1989 issue of the Public Interest, "understand that improving the response of criminal-justice agencies is the sine qua non of progress on other fronts," such as schools, jobs and delivery of social services. The vast majority of inner-city residents are decent, law-abiding individuals. They suffer disproportionately from predatory criminals. A civilized, humane civil rights agenda must include a more effective criminal justice system. That means (among other things) tougher laws, more cops, more courts, more prosecutors, and more jails and prisons.

When drug dealers roam the streets of upper-middle-class Chevy Chase, Md., the residents call 911. When the same people roam the streets of inner-city Anacostia, some liberals argue we should investigate the "root causes" of drug use and violence.

Most Americans deeply believe in the principle of equality; they are necessarily opposed, therefore, to quotas and reverse discrimination.

row, divisive agenda being pushed by the civil rights leadership. What was once a gap has become a gulf. Washington Post columnist William Raspberry (a supporter of the Civil Rights Act of 1991) conceded as much when he recently wrote that the Civil Rights Act of '91 "won't do a blessed thing" for the most serious problems affecting black Americans. "Worse," he said, "it threatens to divide America along racial lines."

A third reason is that during the past 25 years, the animating spirit of the civil rights movement changed. The vision of a color-blind society has been replaced by the vision of a color-conscious society. Martin Luther King's dream was moored to American principles, and the most basic promise of American life—equality. It judged individuals by, in King's own words, "the content of character," and not "the color of their skin." And it sought to bring Americans together by reminding us that we are one people. The current civil rights agenda undercuts the principle of equality; it judges individuals on the color of their skin, not the content of their character; and it has the effect of prying Americans apart.

The old civil rights agenda is beginning to crumble at the core. What should replace it? Let me suggest four things.

1) Reclaim control of inner-city streets.

Hold the root cause seminar later. Call the cops. What's at stake here is the fundamental promise of government to the citizens: the equal protection of law.

2) Better schools. The strongest case for overhauling the current education system is the lousy education the underclass are receiving. The underclass are least able to afford a bad education, since a good education is still the best way out of poverty. A 1986 Rand Corporation study of the economic progress of blacks since 1940 stated, "the safest and surest route to permanent black economic mobility lies in additional education in a good school." I believe that quality education is the central civil rights challenge facing us today. And the best way to improve American education is to support a reform agenda based on parental choice, accountability, merit pay, alternative certification and a solid core curriculum.

Far too many disadvantaged, minority students are not being provided a challenging curriculum. They are victims of unwarranted pessimism, low aspirations and (hence) a subtle form of discrimination. It's time we do away once and for all with Jim Crow math and back-of-the-bus science. Poor minority students deserve the same kind of education that upper-class white kids get.

3) Promote "empowerment" and eco-

omic opportunity. Despite Democratic opposition, the Bush administration should vigorously promote (both legislatively and rhetorically) an "empowerment" agenda that stresses market-oriented solutions, choice, decentralization and accountability. In particular it should throw its full support behind Jack Kemp's agenda of tenant ownership of public housing, investment in low-income housing, tax incentives to businesses located in "urban enterprise zones," community reinvestment and the like. We need to tear down the economic barriers that keep the underclass in poverty.

4) Affirm individual responsibility. It is by now common knowledge that the most serious problems plaguing the black underclass have to do with a breakdown of the family. Too many young black children are being raised without the presence of good men in their lives. How do you begin to reverse this fact? By moving ahead on several fronts, including crafting economic and social policies that support the two-parent family; fashioning public policies that reward right behavior and penalize wrong behavior; using all the means at our disposal—in our public, private and social spheres, through law and moral suasion—to condemn irresponsible acts (for example, out-of-wedlock births); putting young men in the presence of positive male role models; and insisting that people in responsible positions affirm the right things (honoring commitments, individual responsibility, hard work, community norms, and virtue, to name only a few). Some of the solutions involve government action. Many do not. And while none of these things are alone sufficient to the task, each is necessary.

A Better Way

In the past, Republicans have relegated themselves to the sidelines in terms of shaping the civil rights agenda. It is time that we became players and go on the offense. The party of Lincoln should speak in confident, unapologetic terms about the errors of the current civil rights movement. At the same time, we have a responsibility to point to a better way, to call attention to what works, and to advance a new, positive civil rights agenda that improves the lives and the lot of all those who are deserving, but have been left behind. If in the process we gain politically, fine. But above all we should do so because it is right.

Mr. Bennett, a former secretary of education and director of national drug control policy, is a fellow at the Hudson Institute and an editor of National Review.

April, 1991

American Perestroika: Revitalizing American Government



Fred Jordan.

A very American kind of perestroika is taking place in some of this country's state and local governments—imaginative, new responses to seemingly intractable

public problems. Unlike Mr. Gorbachev's restructuring, this is a grassroots movement, slowly working its way up to Washington and disproving the notion that "nothing in government works."

Investigative journalist **Fred Jordan** traveled across the country in search of innovative solutions to such complex problems as environmental pollution, teenage pregnancy, racial segregation, truancy, and prison overcrowding. Working under a grant from the Ford Foundation and the Kennedy School of Government at Harvard University, he identified eight ingenious local programs, each of which represents a totally fresh and innovative approach and provides promising evidence that indeed work well.

In an important and inspiring illustrated presentation, Mr. Jordan analyzes these successful enterprises and distills the key ingredients of each program—the climate that stimulates and rewards fresh thinking, the implementation of specific steps that lead to more effective spending, and techniques to enhance staff motivation. A blueprint for real accomplishment, this knowledge is essential for the concerned citizen.

(Code: 480-245) Wed., May 22, 8 p.m.

Carmichael Auditorium

American History Building

Members—\$7; Nonmembers—\$10

Civil Rights: First Things First

TUESDAY, APRIL 2, 1991 A21

In case you missed it, let me see if I can do a reasonably fair job of summarizing Rep. William L. Clay's op-ed response [March 28] to a recent column of mine [March 13]. Race and sex discrimination is a continuing fact of American life. Civil rights violations still occur. The Supreme Court, in a series of 1989 rulings, made it more difficult for victims of job discrimination to win their cases in court. Legislation to restore civil rights law to the status it held before those rulings should be enacted.

Clay believes all those things, and so do I. So what is the disagreement between us?

As far as I can determine, it comes down to one thing: He believes that the Civil Rights Act of 1991 (the Democratic effort to overturn those mischievous court decrees) is of critical importance to black America; I think there are issues of far greater significance to our well-being and that to make passage of the bill our No. 1 priority is to divert attention from those more significant issues.

Clay (despite my repeated assertions that the legislation ought to be passed and signed into law) concludes that I believe "that civil rights remedies are passé and that discrimination is yesterday's problem."

My notion was a lot simpler than that. If you've got a lot of problems (as black America surely has) then your No. 1 priority ought to have some relevance to what you consider to be your No. 1 problem. It seems to me beyond arguing that the No. 1 problem facing black America is the condition of those who have come to be known as the "underclass": their joblessness, their inadequate schooling, their deteriorating family structure, their victimization by crime, drugs and general hopelessness.

If that is so, by what logic does the Civil Rights Act of 1991 (designed to settle such legalisms as the "disparate impact" of job qualifications, caps on punitive damages for civil rights violations, "significant" vs. "substantial" job-relatedness of hiring criteria) become our No. 1 priority?

To identify a blown engine as your most pressing transportation problem is not to say that your car doesn't need a new paint job or that your tires aren't getting thin. But it does say that fixing the engine ought to be your first priority.

In short, my argument is not that civil rights remedies are passé; it is that civil rights violations, which once were our No. 1 problem, no longer are. If the nature of our problem has changed, shouldn't we change the focus of our attack? That doesn't mean that discrimination no longer occurs or that it shouldn't be addressed. It should be, and it is. As Clay himself noted, the year *after* the Supreme Court decisions that are the target of the 1991 legislation, one federal agency—the Equal Employment Opportunity Commission—"collected \$126 million from unfair employers."

But those awards have had no observable effect on inner-city joblessness, which, in my view, is the leading cause of family breakdown, drug-related violence, inadequate housing and the whole range of problems that are devastating black America. If the civil rights leadership were proposing solutions to these problems while also battling against discrimination (which principally affects the black middle class), they'd get no argument from me. But if we are going to choose one front for our attack, then let's put first things first.

"Discrimination," says Clay, in what he apparently intends as a rebuke to me, "will be passé only when cultural habits, hearts and minds change and people no longer treat other people differently simply because they are black, brown, female or Jewish. Unfortunately, we're not there yet."

Unfortunately, he's right. But does he really suppose that passage of the Civil Rights Act of 1991 (which, to repeat, I do support) will bring us there? Aren't we in danger of staking all of our political capital on a pot that, even if we win it, will leave our situation largely unchanged.

I don't insist that Clay or anyone else agree with my assessment of what constitutes our most urgent problem. All I ask is that we undertake the effort to prioritize our problems, and then propose remedies that make sense in terms of those priorities.

That's the test the Civil Rights Act of 1991 fails to meet.

ENTERPRISE

Street Vendor Seeks to Walk on Right Side of the Law

Peddler Leads Fight to Legalize Vending as Tensions With Merchants Grow

By JOHN R. EMSHILLER

Staff Reporter of THE WALL STREET JOURNAL

LOS ANGELES—Dora Alicia Alarcon is one of thousands of entrepreneurs in this town who keep one eye peeled for customers and the other for cops.

Ms. Alarcon is a street vendor, selling everything from sliced mangoes to cigarettes to greeting cards. She is, by all accounts, industrious, courteous, tidy—and an outlaw.

Street vending is quite illegal locally, and the police ticket or arrest thousands of street vendors annually. Like many vendors, Ms. Alarcon has been chased, handcuffed, jailed and forced to do time on city work crews. And she is tired of it.

So she now leads an association of several hundred vendors pushing to get on the right side of the law. They've managed to get a proposal legalizing vending before the city council, and are now mobilizing to get it passed. In anticipation, Ms. Alarcon has even borrowed \$1,500—which she says is equal to a quarter of her annual income—to buy a food cart that meets local health codes. "We want to show that we deserve to be legal," says the 39-year-old immigrant from El Salvador through an interpreter.

But winning legal status is still a struggle in the face of widespread and often intense opposition from local merchants, who complain that vendors are unsightly, unsanitary and unfair competition because they don't have such expenses as rent. "We should get rid of all the vendors. They don't belong in Los Angeles," says Norm Langer, who operates Langer's Delicatessen.

Similar struggles are going on in cities

around the nation. Street vending, long a first step for many immigrants up the entrepreneurial ladder, seems to be on the rise recently because of the recession and tougher immigration laws that make employers less willing to hire illegal immigrants.

"The numbers are burgeoning," says Madeline Janis, executive director of the Central American Refugee Center, a social and legal-service organization based in Los Angeles. As the number of vendors increases, objections also grow.

In New York City, for instance, a debate continues over what to do with thousands of illegal vendors who operate in addition to the roughly 4,000 vendors with city permits. Suggestions range from issuing more permits to pursuing scofflaws more vigorously. "We want our sidewalks back," state senator Roy Goodman told a recent gathering on the matter. A spokesman for the senator adds: "There has been a tremendous proliferation of vendors."

Los Angeles has the toughest vendor regulations of any major city, says Julie Jaskol, an aide to Councilman Michael Woo who is sponsoring the legalization ordinance. Offenders can be sentenced to as much as six months in prison or fined as much as \$1,000. Ms. Jaskol traces the unhospitable attitude partly to Los Angeles's development by people fleeing the bustle of Eastern cities. "They put a premium on clean, wide and empty sidewalks," she says.

Active Vendor Community

Observers say Los Angeles also has an unusually organized and active vendor community, thanks in large part to Ms. Alarcon. "She is really a remarkable woman," says Paula Sirola, program manager for the Coalition for Women's Economic Development, a nonprofit group helping the vendors in their legalization fight.

Yet in some ways Ms. Alarcon's story is similar to that of thousands of other immigrants who have come to this nation in the past decade.

She had been a street vendor in El Salvador from the age of six. But by 1980 she says she was unable to make a living any longer because of the civil war there. Leaving behind five young children with family members, she headed north.

The journey here took nearly six months because she had to stop along the way to earn enough money for the next leg of her trip. She still bears scars on her arms from a stint in a metal cutting factory in Mexico that didn't supply safety gloves.

Ms. Alarcon worked for a time in garment factories here. But with sub-minimum wages, she says she couldn't earn enough to support herself and send money home.

So she turned back to street vending, assuming, naively, that it would be like El Salvador "where the police didn't really seem to care."

In Los Angeles, they did—at least whenever they got enough calls from irate merchants. She still vividly recalls the first police "sweep" of the area she was working downtown. "People were being beaten, one woman was being held in a hammerlock," she asserts. The police deny ever using excessive force.

Ms. Alarcon says she was finally caught in a sweep Dec. 30, 1986, and spent a night in jail, handcuffed to a chair part of the time. She was angry, humiliated and frightened. "I kept asking myself, 'Why are they treating me like a criminal,'" she recalls.

Ms. Alarcon says that experience impelled her to join the vendors association, soon after it was formed in 1987. Unhappy with the leadership, Ms. Alarcon ran for president and won.

Dirty Sidewalks

Though many street vendors are Koreans or blacks, the association is almost completely Hispanic and non-English speaking. These are weaknesses, concedes Ms. Alarcon, and there are others.

"We aren't very clean," she tells a group of about 50 vendors at one of the bi-

weekly association meetings. "We are leaving the sidewalks dirty and we are going to have to improve."

One reason cited for legalizing vending is to give vendors a badly needed incentive to meet health standards. Richard Wagener, a county health official, recalls one vendor whose carton of cooked corn was found to have live rats inside.

Some of the vendors are working to fix up a commercial kitchen at a community center where vendors can properly prepare food. Along with her food cart, Ms. Alarcon obtained a health department permit, which would allow her to legally sell her mangoes in Los Angeles—if it weren't against the law.

With dues at only \$5 a month per person, the association hasn't yet been able to set up the loan fund it plans to help members pay fines, though it has made contacts with lawyers willing to help defend arrested vendors. Unable to pay the fines, many vendors have to substitute muscle for money on city work crews. Ms. Alarcon just finished a week of cleaning up city parks to pay off a \$213 ticket.

The association is trying to set up meetings with local politicians and business groups to push the legalization ordinance. "We want to let the business people know we can be good neighbors," says Ms. Alarcon.

She'll have a lot of convincing to do. "We have nothing to talk about," says Mr. Langer, the deli operator. "We are on opposite ends of the stick."

Mr. Langer, whose family-owned establishment just west of downtown has been a local eating landmark for decades, says that before police sweeps late last year, several dozen vendors were operating within sight of his restaurant, clogging the sidewalks and scaring away patrons. He says he had to spend \$3,000 on a high-pressure cleaner to get rid of all the mango peels and corn husks left behind. "It's not fair for these people to impose their culture on us," says Mr. Langer.



Dora Alicia Alarcon

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HEADLINE: SAVING THE CITY;
Revive the '60s, But With '90s Know-how

SERIES: SAVING THE CITY. Second in an occasional series.

BYLINE: By Andrew M. Cuomo. Andrew M. Cuomo is the president of H.E.L.P. (Housing Enterprises for the Less Privileged), a not-for-profit corporation for domestic policy and program development.

KEYWORD: SERIES; OPINION; ISSUE; SOCIAL CONDITIONS; ANDREW CUOMO; HOMELESS;
DRUG

BODY:

FROM BEDFORD-Stuyvesant to East L.A., our cities are plagued by unprecedented problems: staggering rises in drug abuse, teen pregnancy, and homelessness, steady declines in employment and the quality of education. These problems did not arise overnight; they are products of years of neglect. While we built during the 1980s a military machine that's unbeatable abroad, not since the 1960s have we embarked on a significant effort to build - or rebuild - a sound social structure at home. The intervening decades of indifference have not only expanded the borders of the once limited poverty zones, but deepened the chasm between the middle class and the underclass.

It's difficult to know exactly why we let it happen. A disillusionment with the '60s era of social involvement; an obsession with the cold war; an oversized military budget; an economic policy that favored the rich; an outdated and unwieldy service delivery system . . . all of these probably played a part.

We have also been stymied by an episodic attention span, a policy focus that views every problem as an isolated, temporary phenomenon. Spurred by the media, with their penchant for the immediate, we seldom analyze situations in depth, or in relation to each other. Long-term perspectives and comprehensive solutions give way to a preoccupation with the daily headline. This episodic view is further clouded by political jargon. Problems and programs are viewed through a liberal or conservative lens, treated as occasions for political posturing rather than objective analysis.

The cumulative effect of these factors is clearly demonstrated by the homeless crisis.

Homelessness came to the forefront about 15 years ago. The issue was raised by social activists who publicized the condition of the destitute wandering our streets. Their strategy to garner public support was to sentimentalize the plight of the homeless by suggesting that the fate of every down-and-out person was due to economic misfortune alone. In reality, it had many roots: troubled family histories, drug or alcohol problems, premature de-institutionalization

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from mental hospitals.

Homeless advocates claimed the solution was as simplistic as their diagnosis. They asserted it was "threefold: housing, housing, housing." While the approach was good public relations, it was bad public policy. Dramatic pictures of homeless people on park benches filled newspapers and television screens. But little attention was paid to the deeper afflictions these men, women and children suffered. The truth is the very term "homeless" is a misnomer. It suggests that a diverse population can be defined by a single malady and thus administered a universal cure. Wrong.

A broader vision is required. We must recognize the multiple and varied needs among this population and adopt an individualized rather than a wholesale approach.

If the only need is affordable housing, then we must provide it - intelligently. The housing that we construct must benefit from our past mistakes. The towers of the '60s and '70s, filled exclusively with low-income dwellers, without any social support services, failed their residents and defeated the surrounding neighborhoods.

This lesson has been lost on New York City, however, which responded to the homeless crusaders in the late 1980s with an unprecedented \$ 5 billion plan to build subsidized housing as an alternative to welfare hotels. The overwhelming majority of this housing's inhabitants have been low-income; building looms next to building, block after block, in areas that were already economically depressed and racially segregated.

So places like the South Bronx, suffering from a crumbling infrastructure, are now home to new populations - AIDS victims, the formerly homeless, border babies - with little consideration for their overall impact or the necessary support systems. The "out of sight, out of mind" siting policy is politically expedient, but the newly constructed units are surely destined to ruin. We have built what amount to government-sponsored ghettos.

Rather than high-rise buildings we need low density. Rather than subsidized rental units, in which the tenants have no stake, we need tenant equity, so that rent is applied toward eventual ownership. Rather than homogeneous populations, we need mixed occupancy. In every instance we must put in place support services and infrastructure to ensure success after the ribbon-cutting. Most important, we must recall - and have the political resolve to implement - the principles of integration, scatter siting and fair share, so the poor are assimilated throughout the city rather than isolated in a few blighted areas.

At the same time we must realize that housing alone is not a cure-all. Ironically, as the result of their narrow vision, many of our most sincere social reformers haven't mandated enough government commitment. They demand housing without demanding all the other services the homeless need. Government must address the problem by treating the illness, not the symptom.

Most studies show a significant percentage of the homeless are drug and alcohol abusers, men and women suffering mental illness, disturbed Vietnam vets, and the uneducated, not just people who can't make ends meet economically. We must admit that the solution to such multiple problems is not as simple as providing housing. An apartment does not cure a crack addiction.

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We must realize, too, that the problem is now pervasive, reaching beyond the economics of poverty to the entire culture of an underclass. It is no longer an issue of dollars and cents alone, but of behavior and values as well. A breakdown in the family structure has accelerated as the prevailing economic system for the poor has become entirely welfare-based.

To right the wrongs of the past 20 years, we must declare a new "war on poverty." We need to return to the '60s spirit of commitment, however, with the know-how of the '90s. Federal money is lacking and our resources are dwindling. To make our commitment meaningful, we must find better ways to use those resources. This must begin by government's "knowing what it doesn't know."

The only effective attack on poverty will be through privatization, entrepreneurship and the competitive system. The role of government should be limited to prioritizing needs, designing programs, funding and supervising. Actual operations - real-estate development for housing, social work, medical and other services - should be left to the qualified private and non-profit sectors.

This is not to suggest that government should leave the field; indeed, quite the opposite. Government must be wholly committed to the effort, but it should do only what it does best: provide resources that would otherwise not be available, and help integrate and supervise policies and programs.

I'm suggesting, in effect, a real "thousand points of light," whereby the private sector provides hands-on expertise but government provides the "electricity" - the funding. This is poles apart from the Republican notion of "voluntarism."

A privatized service delivery system can provide more than government programs currently do. The federal government actually destroys more housing than it builds. Last year New York State and City spent \$ 600 million on homeless care - and it wasn't enough. It's not just how much we spend that counts, but how we spend it.

Frankly, I believe there is no alternative to waging this war. The average age of today's homeless person nationwide is 33. Society cannot afford the costs of subsidizing this growing number of young people destined to a life of public dependency. A prison cell costs at least \$ 50,000 per year, a hotel room for a homeless family costs \$ 30,000. It is not only right and humane, but more cost-effective to invest in education and rehabilitation than to subsidize a dysfunctional individual for a lifetime.

GRAPHIC: Photo- Andrew M. Cuomo

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THE WHITE HOUSE
WASHINGTON

Date: May 2, 1991

TO: Members of the Domestic Policy Reform
Breakfast Group

FROM: **RICHARD W. PORTER**
Special Assistant to the President
and Executive Secretary to the
Domestic Policy Council

I wanted to share the attached
article from The Atlantic Monthly
with you. I think you might find
it interesting.

***LATE ADDITION! At the back, please
find an article by George Will on
campus "political correctness."

*When the official subject
is presidential politics, taxes, welfare,
crime, rights, or values . . .
the real subject is*



BY

THOMAS BYRNE EDSALL WITH MARY D. EDSALL

RACE IS NO LONGER A STRAIGHTFORWARD, morally unambiguous force in American politics; instead, considerations of race are now deeply imbedded in the strategy and tactics of politics, in competing concepts of the function and responsibility of government, and in each voter's conceptual structure of moral and partisan identity. Race helps define liberal and conservative ideologies, shapes the presidential coalitions of the Democratic and Republican parties, provides a harsh new dimension to concern over taxes and crime, drives a wedge through alliances of the working classes and the poor, and gives both momentum and vitality to the drive to establish a national majority inclined by income and demography to support policies benefiting the affluent and the upper-middle class. In terms of policy, race has played a critical role in the creation of a political system that has tolerated, if not supported, the growth of the disparity

between rich and poor over the past fifteen years. Race-coded images and language changed the course of the 1980, 1984, and 1988 presidential elections and the 1990 elections for the governorships of California and Alabama, the U.S. Senate in North Carolina, and the post of Texas secretary of agriculture. The political role of race is subtle and complex, requiring listening to those whose views are deeply repellent to some and deeply resonant for others. The debate over racial policy has been skewed and distorted by a profound failure to listen.

"You could classify me as a working-class Democrat, a card-carrying union member," says Dan Donahue, a Chicago carpenter who became active in the campaign of a Republican state senator in 1988. "I'm not a card-carrying Republican—yet. We have four or five generations of welfare mothers. And they [Democrats] say the answer to that is we need more programs. Come on. It's well and good we should have compassion for these people, but

your compassion goes only so far. I don't mind helping, but somebody has got to help themselves, you've got to pull. When you try to pick somebody up, they have to help. Unfortunately, most of the people who need help in this situation are black and most of the people who are doing the helping are white. We [white Cook County voters] are tired of paying for the Chicago Housing Authority, and for public housing and public transportation that we don't use. They [taxpayers] hate it [the school-board tax] because they are paying for black schools that aren't even educating kids, and the money is just going into the Board of Education and the teachers' union."

Moderate-income voters like Donahue pose a central dilemma for the Democratic Party. They are essential if the party is to have an economically coherent base, and if the party is legitimately to claim to represent not only the poor but also the average working man and woman. These voters have, however, been caught up in an explosive chain reaction of race, rights, values, and taxes which has propelled significant percentages of them out of the Democratic Party in presidential elections and into the "unreliable" column in state and local contests. Rac-

of specific groups; and, finally, whites against blacks. Public policies backed by liberals have driven these new alignments. In particular, busing, affirmative action, and much of the rights revolution in behalf of criminal defendants, prisoners, homosexuals, welfare recipients, and a host of other previously marginalized groups have, for many voters, converted the government from ally to adversary. The simultaneous increase, over the past two and a half decades, in crime, welfare dependency, illegitimacy, and educational failure have established in the minds of many voters a numbing array of "costs"—perceived and real—of liberalism.

Major elements of the Republican Party have exploited and inflated the costs of liberal policies. Republican strategists and ideologues have furthermore capitalized on these costs to establish a new and evolving ideology: conservative egalitarianism, opposed to special preferences whether for blacks, unions, or any other liberal interest. Liberal Democratic support for preferential hiring on the shop floor and in the schoolroom—to make up for past discrimination—has enabled a conservative Republican Party to lay claim to the cause of equal opportunity,

The new polarization drives a wedge right through the heart of the old Democratic presidential coalition, and threatens to undermine genuine advances in racial equality.

ism and racial prejudice fail to explain such voter defection adequately, and Democratic liberals' reliance on charges of racism guarantees political defeat and, more important, guarantees continued ignorance of the dynamics at the core of presidential politics.

The Costs of Liberalism

THE PAST TWO DECADES HAVE SEEN A SIGNIFICANT enlargement of the ideological and value-based underpinnings of political conservatism and, to a large extent, of the Republican Party. Race, rights, and taxes have become key forces behind this enlargement, helping to bring about a new polarization of the electorate, a polarization that has effectively replaced the New Deal coalition structure of presidential contests.

This polarization is built on mutually reinforcing divisions of the electorate: taxpayers against tax recipients; those who emphasize responsibility against those who emphasize rights; proponents of deregulation and an unfettered free market against supporters of the regulatory state and of policies protecting or advancing the interests

once the rallying cry of the civil-rights movement. In the wake of sustained group and individual conflicts over rights, preferences, and government benefits, an egalitarian populism of the right has emerged, one so strong that it was not only accessible to George C. Wallace in 1968 but remained available twenty years later to a scion of the old guard of the Northeast, George Herbert Walker Bush. Conservative populism has permitted the Republican Party to replace in the minds of many voters the idea of an "establishment" ruled by business interests with a hated new liberal establishment, adversarial to the common man: an elite—of judges, bureaucrats, newspaper editors, ACLU lawyers, academics, Democratic politicians, civil-rights and feminist leaders—determined to enact racially and socially redistributive policies demanding the largest sacrifices from the white working and lower-middle classes.

This new polarization drives a wedge right through the heart of the old Democratic presidential coalition, and threatens to undermine the genuine advances in racial equality which have occurred in the years since the passage of the 1964 Civil Rights Act. Race relations in America are, in fact, moving on two tracks. On one there has

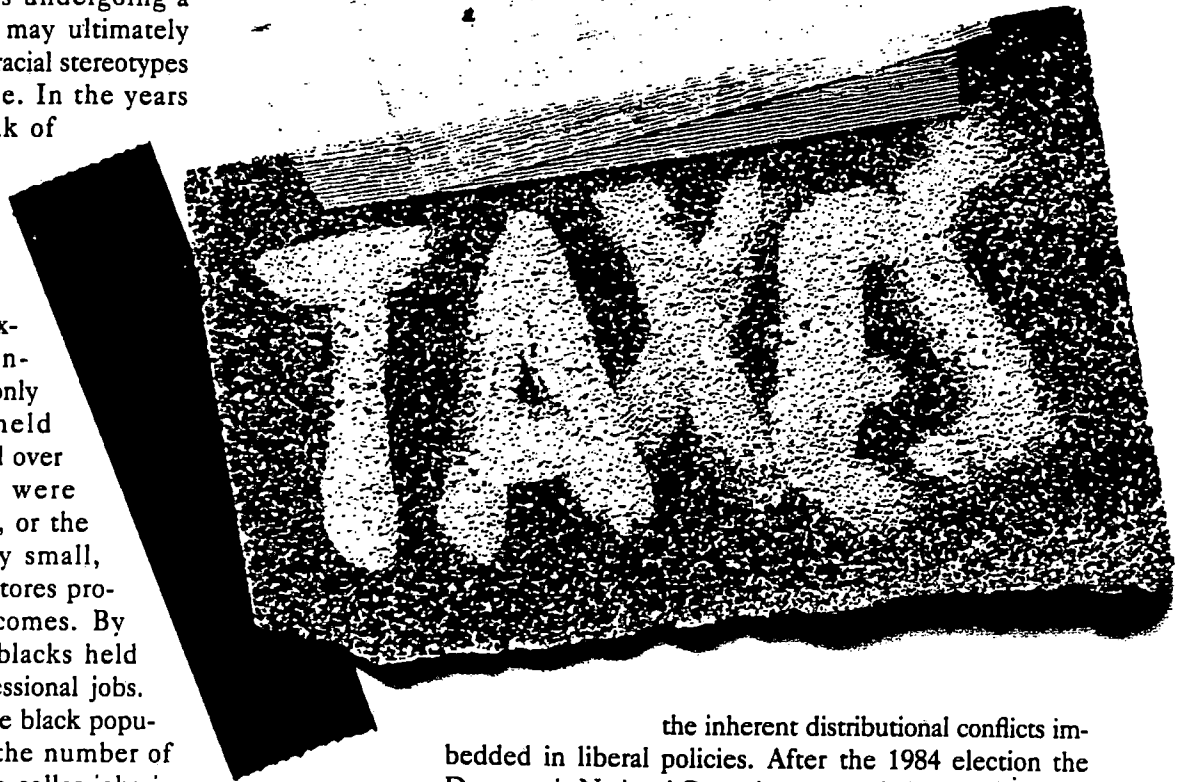
been an extraordinary integration of the races, a striking expansion of the black middle class, and a powerful contribution from blacks to the mainstream culture.

American society is undergoing a transformation that may ultimately destroy many of the racial stereotypes that drive prejudice. In the years before the outbreak of the Second World War, 73 percent of all black college graduates became ministers or teachers, almost all serving exclusively black constituencies. In 1940 only 187,520 blacks held white-collar jobs, and over 100,000 of them were clergymen, teachers, or the owners of generally small, ghetto-based retail stores producing marginal incomes. By 1990, 1.91 million blacks held managerial and professional jobs. From 1950 to 1990 the black population doubled but the number of blacks holding white-collar jobs increased by 920 percent.

On the second track, racial progress has run into major roadblocks: crime, welfare dependency, illegitimacy, drug abuse, and a generation—disproportionately black—of young men and women unwilling either to stay in school or to take on menial labor, a group that has collided with a restructuring of the American economy and a dramatic loss of well-paid entry-level jobs. The worsening of the symptoms of social dysfunction over the past three decades has become a driving force in politics, for the symptoms are perceived as an unacceptable cost of liberalism not only in the neighborhoods of southwest Chicago but also, increasingly, in the more affluent sections of suburbia and in the business cores of cities.

A New Lease on Prejudice

LIBERAL ELITES HAVE HAD MAJOR DIFFICULTY recognizing the costs both of racial conflict and of the broader rights revolution in behalf of groups as diverse as women, the mentally disabled, prison inmates, and immigrants from developing countries. Liberal elites have in addition disregarded the effects of burdensome taxes on working-class and middle-class voters, who may see themselves as being forced to finance a revolution challenging their own values and often undermining their hard-won security. Democratic liberalism has shown a consistent reluctance to confront



the inherent distributional conflicts imbedded in liberal policies. After the 1984 election the Democratic National Committee commissioned a \$250,000 voter study by CRG Communications, only to quash its release because it made explicit controversial sources of dissent from liberal orthodoxy. The study, drawn from a poll of 5,000 voters and thirty-three focus groups, found that Democratic defectors among white urban ethnics and white southern moderates believed that

the Democratic Party has not stood with them as they moved from the working to the middle class. They have a whole set of middle-class economic problems today, and their party is not helping them. Instead it is helping the blacks, Hispanics and the poor. They feel betrayed. . . . [These voters] view gays and feminists as outside the orbit of acceptable social life. These groups represent, in their view, a social underclass. . . . [White urban ethnics] feel threatened by an economic underclass that absorbs their taxes and even locks them out of the job, in the case of affirmative action. They also fear a social underclass that threatens to violate or corrupt their children. It is these underclasses that signify their present image of the Democratic Party. . . . The Democrats are the giveaway party. Giveaway means too much middle-class money going to blacks and the poor.

In some communities, such as the white working-class suburbs of Detroit, positive assessments of the Democratic Party have been washed out altogether by anger and discontent that are open, unabashed, and extremely harsh. Voters from such communities have been crucial to the outcome of presidential elections for the past two

decades—they are the silent majority of the 1970s and the Reagan Democrats of the 1980s. Their votes expanded the Republican coalition to produce election-year majorities, and their abandonment of the Democratic Party in presidential elections undermined the coalition of the have-nots and affirmed the ascendancy of a coalition of the haves, as disaffected moderate-income white voters joined forces with traditional Republicans. The views of working-class defectors from the Democratic Party were examined in a 1985 study of suburban Detroit by Stanley Greenberg, the president of the Analysis Group, a Democratic polling firm. The study found that

these white Democratic defectors express a profound distaste for blacks, a sentiment that pervades almost everything they think about government and politics. Blacks constitute the explanation for their [white defectors'] vulnerability and for almost everything that has gone wrong in their lives; not being black is what constitutes being middle class; not living with blacks is what makes a neighborhood a decent place to live. . . . These sentiments have important implications for Democrats, as virtually all progressive symbols and themes have been redefined in racial and pejorative terms. . . .

The special status of blacks is perceived by almost all of these individuals as a serious obstacle to their personal advancement. Indeed, discrimination against whites has become a well-assimilated and ready explanation for their status, vulnerability and failures.

The bitterness and anger of the white Detroit voters is one consequence of a central tragedy of the past twenty-five years: the drive to achieve racial equality and the striking advances of the black middle class have coincided with a significant worsening of social dysfunction in the bottom third of the black community. Social dysfunction—crime, welfare dependency, joblessness, and illegitimacy—wreaks havoc, crushing recognition of the achievements of liberalism. When it is disproportionately associated with one group or race, social dysfunction assaults efforts to eliminate prejudice. Gordon W. Allport wrote in *The Nature of Prejudice*,

Prejudice . . . may be reduced by equal status contact between majority and minority groups in the pursuit of common goals. The effect is greatly enhanced if this contact is sanctioned by institutional supports . . . and provided it is of the sort that leads to the perception of common interests and common humanity between members of the two groups.

The contact between whites and the black underclass has routinely violated every standard necessary for the breakdown of racial stereotypes. Most white contact with the underclass is through personal experience of crime and urban squalor, through such experience related by friends and family, or through the daily reports about crime, drugs, and violence which appear on television and in newspapers. The news includes, as well, periodic reports on out-of-wedlock births, welfare fraud, drug-

related AIDs, crack babies, and inner-city joblessness.

"The stereotype is not a stereotype anymore," says Kenneth S. Tollett, a black professor of education at Howard University. "The behavior pattern in the underclass is not stereotypical in the pejorative sense, but it is a statement of fact. A stereotype is an overgeneralization, 'This is the way people are,' and then we say all are like that. The behavior of black males in the underclass is now beginning to look like the black stereotype. The statements we have called stereotypes in the past have become true."

Social dysfunction, and crime in particular, have tragically served over the past two and a half decades to reinforce racial prejudice. Statistics suggest the widespread problems among the black underclass.

In a nation that is 12 percent black and 84 percent white, there were in 1986, according to the Department of Justice, more black prison inmates than white or Hispanic. There were in 1988, according to the Department of Health and Human Services, more black welfare recipients than white. By the late 1980s, according to the Bureau of the Census, a majority of black families were headed by single or separated women. At the same time, according to the National Center for Health Statistics, more than 60 percent of all black children were born out of wedlock. Among black male high school dropouts aged twenty to twenty-four, according to the Bureau of Labor Statistics, the proportion who had not worked at all during the previous year rose from 15.1 percent in 1974 to a staggering 39.7 percent in 1986. The comparable figures for young white dropouts were 9.1 percent in 1974 and 11.8 percent in 1986, and for young Hispanic dropouts 8.8 percent and 9.6 percent. According to figures compiled by the Department of Justice in criminal-victimization surveys from 1979 to 1986—the surveys considered by law-enforcement professionals to contain the most reliable data on race—an annual average of 44.3 out of every 1,000 blacks were victims of a violent crime, with much higher rates in very poor areas, as compared with 34.5 out of every 1,000 whites. At the same time, however, a far higher percentage of the crimes committed by blacks than of the crimes committed by whites were interracial. In 1986 and 1987 whites committing crimes of violence—robbery, rape, and assault—chose white victims 97.5 percent of the time and black victims 2.5 percent of the time in those incidents in which the victim could identify the race of the offender. Blacks committing violent crimes chose white victims 51.2 percent of the time and black victims 48.8 percent of the time. For the specific crime of robbery the figures are similarly striking. In 1986–1987, of those robberies in which the race of the offender was identified by the victim, 95.1 percent of robberies committed by whites had white victims and 4.9 percent had black victims; 57.4 percent of robberies committed by blacks had white victims and 42.6 percent had black victims.

The Races Polarize Over What's Gone Wrong

VIOLENCE, JOBLESSNESS, DRUG ABUSE, AND FAMILY disintegration have not only functioned to reinforce racial prejudice; they have also led to widely differing interpretations of what has gone wrong. Significant numbers of blacks, both middle-class and poor, see malevolent white power behind the disruption and dislocation in black neighborhoods. Take drug abuse. "It's almost an accepted fact," says Andrew Cooper, the publisher of the *City Sun*, a black weekly Brooklyn newspaper, echoing ideas often heard on black radio talk shows and in other all-black forums. "It's a deep-seated suspicion. I believe it. I can't open my desk drawer and say, 'Here it [the evidence] is.' But there is just too much money in narcotics. People really believe they are being victimized by The Man. If the government wanted to stop it, it could stop it." Louis Farrakhan, the leader of the Nation of Islam, brought an entire auditorium of black politicians, intellectuals, and organizers—men and women on the left of the political spectrum, but by no means on the outer fringes—to their feet during a 1989 speech in New Orleans which clearly captured elements of a black world view. He said,

The black man and woman in America is of no further use to the children of our former slavemasters and when a thing loses its use or utility, it loses its value. If your shoes wear out, you don't keep them around; if an old dress becomes old, you don't keep it around. Once it loses utility, you move to

get rid of it. . . . We cannot accept the fact that they think black people have become a permanent underclass. . . . If we have become useless in a racist society, then you must know that not public policy but a covert policy is being already formulated to get rid of that which is useless, since the economy is going down and the world is going down. Follow me, brothers and sisters. According to demographers, if the plummeting birth rate of white people in America continues, in a few years it will reach zero population growth. As for blacks, Hispanics, and Native Americans, if their present birth rate continues, by the year 2080, demographers say, blacks, Hispanics, and Native Americans will conceivably be 50 percent or more of the United States population. . . . If things continue just birthwise, we could control the Congress, we could control the Supreme Court, we could control state legislatures, and then 'Run, Jesse, run,' or 'Run, Jesse Junior, run,' or 'Run, Jesse the Third, run.'"

The emergence of predominantly black underclass neighborhoods rife with the worst symptoms of social pathology has proved to be one of the most disturbing developments in the United States, both for city residents and for residents of surrounding areas. In his book *Canarsie*, the Yale sociologist Jonathan Rieder described the climate of opinion he found in the late seventies in one of Brooklyn's white urban ethnic enclaves:

Canarsie's image of ghetto culture crystalized out of all the visual gleanings, fleeting encounters, and racist presumptions. Lower-class blacks lacked industry, lived for momentary erotic pleasure, and, in their mystique of soul, glorified the fashions of a high-stepping street life. The hundreds of thousands of female-headed minority households in New York City, and the spiraling rate of illegitimate births, reinforced the impression that ghetto women were immoral. . . . When provincial Jews and Italians recoiled from the riven families of the ghetto, they were prisoners of ancient notions of right as well as vituperative passion. "The blacks have ten kids to a family," the Italian wife of a city worker observed. . . . "Bring up a few, give them love and education." . . . It is hard to exaggerate the bewilderment Canarsians felt when they considered the family patterns of the ghetto. To be without a family in southern Italy "was to be truly a non-being, *un sacco vacante* (an empty sack) as Sicilians say, *un nuddu miscatu cu nenti* (a nobody mixed with nothing)."



The Values Barrier

THE INTENSITY OF PUBLIC REACTION TO THE world of the underclass has coincided with a larger conflict in America over values. This conflict has evolved, in complex ways, from one of the major struggles of the twentieth century: the struggle between so-called traditional values and a competing set of insurgent values. Traditional values generally have been seen to revolve around commitments to the larger community—to the family, to parental responsibility, to country, to the work ethic, to sexual restraint, to self-control, to rules, duty, authority, and a stable social order. The competing set of insurgent values, the focus of rights-oriented political ideologies, of the rights revolution, and of the civil-rights movement, has been largely concerned with the rights of the individual—with freedom from oppression, from confinement, from hierarchy, from authority, from stricture, from repression, from rigid rule-making, and from the status quo.

On a level essentially ignored by liberal elites—but a level, nonetheless, of stark reality to key voters—the val-

charged matters—ranging from crime to sexual responsibility to welfare dependency to drug abuse to standards of social obligation—has for more than two decades created a *values barrier* between Democratic liberals and much of the electorate. Insofar as many voters feel that their cherished policies and practices have been routed, the values barrier has been a major factor in fracturing a once deeply felt loyalty to a liberal economic agenda.

When rank-and-file white voters characterize the value structure of the underclass as aberrant, white liberals are not alone in their angry response. In segments of the black community the response is often a wounded outrage so extreme that it precludes all debate.

Bernard Boxill, a black scholar at the University of North Carolina, has, for example, argued that the growing problems of the underclass may be used by the white community as “an excuse to undo the legal, social and economic advances made by the black middle class, plunge the country into a race war, and worst of all, be a pretext for genocide.”

Dr. Frances Welsing, a black psychiatrist, was loudly applauded at a predominantly black “town meeting” or-

*Stigmatization as “racist” or as
“in bad faith” of open discussion of values-charged
matters has created a values barrier between
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ues debate has become conflated with racial politics. Among Democrats and liberals the stigmatization of racism in the 1960s had the unintended and paradoxical consequence of stigmatizing the allegiance of many voters to a whole range of fundamental moral values. In the late 1960s and early 1970s the raising of the “traditional values” banner over such issues as law and order, the family, sexual conduct, joblessness, welfare fraud, and patriotism was seen by liberals and blacks—with some accuracy—as an appeal to racist, narrow-minded, repressive, or xenophobic instincts, designed to marshal support for reactionary social policies. The conflation by the political right of values with attempts to resist racial integration, to exclude women from public life, and to discredit the extension of constitutional rights to minorities fueled an often bitter resistance by the left and by blacks to the whole values package.

The result was that liberal Democrats often barred from consideration what are in fact legitimate issues for political discourse, issues of fundamental social and moral concern which must be forthrightly addressed by any national candidate or party. This stigmatization as “racist” or as “in bad faith” of open discussion of values-

ganized and televised in 1989 by ABC-TV and Ted Koppel when she argued that whites bear responsibility for whatever disorders there may be in black ghettos:

Racism is a behavior system that is organized because white people are a minority on the planet. . . . If we understand the white fear of genetic annihilation, which is why Willie Horton [the Massachusetts prisoner who committed rape and assault while on furlough] could be used as a very profound symbol by the Republican Party to win this election, then we will understand what is happening to the black male in this society. The black male is a threat to white genetic annihilation. And so he is profoundly attacked in this society.

The Roots of Our Race-Charged Politics

IN THE GULF BETWEEN FRANCES WELSING AND DAN Donahue one can see evidence of a political struggle that goes back to the 1960s. When one looks at recent political history through the prism of our current race-charged politics, familiar events take on a new significance. From the perspective of 1991, for example,

the presidential election of 1964 stands out as a turning point in the politics of race in the United States. That election forced race, already a volatile national issue, into the partisan competition between the Democratic and Republican parties. The 1964 contest pitted the Democrat Lyndon Johnson, the leading supporter of the recently passed Civil Rights Act (which granted full U.S. citizenship rights to blacks for the first time in history), against the Republican Barry Goldwater, an ideological conservative and a strong opponent of the bill. By Election Day, 1964, an exceptional 75 percent of the electorate knew that Congress had that year passed the bill, with a striking 96 percent of those voters aware that Johnson had backed the measure and 84 percent aware that Goldwater had opposed it.

The Democratic and Republican nominees' polarized positions on civil rights immediately transformed public perceptions of the two parties. Two years before the 1964 election, polls conducted by National Election Studies showed virtually no difference in the public assessment of whether the Democratic or the Republican Party would be "more likely to see to it that Negroes get fair treatment in jobs and housing." Of those polled in the 1962 survey, 22.7 percent identified the Democrats as more likely to protect black interests, 21.3 percent identified the Republicans, and the remaining 56 percent said either that there was no difference between the parties or that they had no opinion. By 1964, however, fully 60 percent identified the Democratic Party as more likely to help blacks get fair treatment in seeking jobs, and only seven percent identified the Republican Party—the party of Abraham Lincoln.

By 1964 the Democrats had become the party of racial liberalism and the Republicans had become the party of racial conservatism. It was the first and last presidential election in which racial liberalism was politically advantageous.

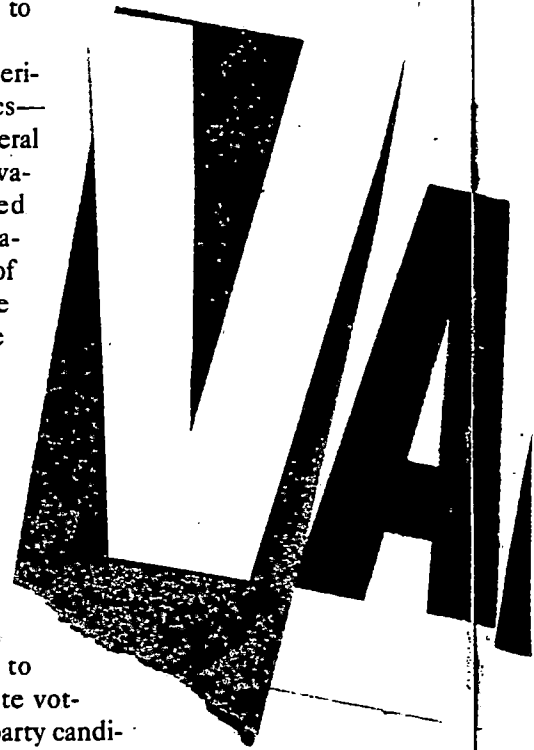
The event most strikingly associated with the decline in political support for Democratic liberalism was the riot that broke out on August 11, 1965, in the Watts section of Los Angeles. Blacks throwing rocks and bottles at policemen shouted, "Burn, baby, burn!" as television cameras rolled. By August 16, after the National Guard had been called in and order slowly restored, there were thirty-four dead, more than 1,000 injured, over 800 buildings damaged or destroyed, and nearly 4,000 arrests. Even Martin Luther King, Jr., the leader of black protests since the Montgomery bus boycott in 1955, was unprepared for Watts. Stunned by the scope of anger among rioters, and by their perception that the civil-rights movement had been largely irrelevant to improving conditions in the ghetto, King "was absolutely undone" after visiting Watts, his close associate Bayard Rustin recalled.

A succession of other violent eruptions followed over the next three years. According to the Kerner Commission, appointed to investigate the causes of rioting, in

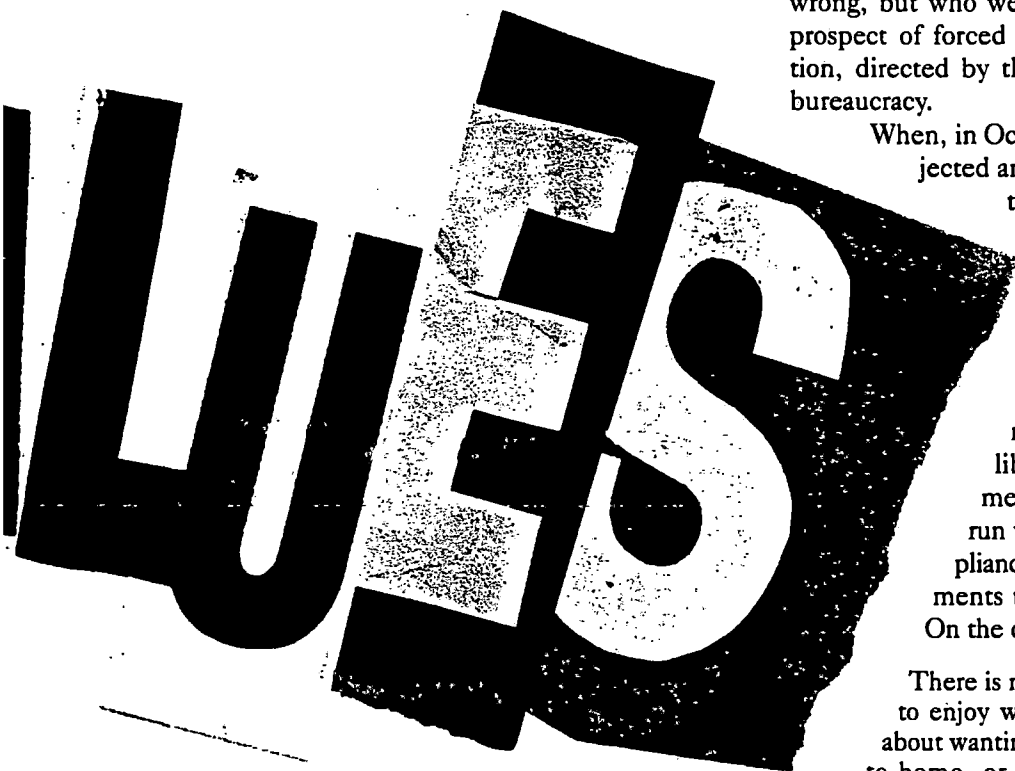
1967 there were 164 "disorders," eight of them ranked as "major" on the grounds that they involved "many fires, intensive looting, and reports of sniping; violence lasting more than two days; sizeable crowds; and use of National Guard or federal forces as well as other control forces." More than eighty people were killed, nearly 90 percent of them black civilians and 10 percent policemen, firemen, and other public officials. More than three quarters of the deaths were in two cities, Detroit (forty-three) and Newark (twenty-three). During the five-year period 1964–1968, according to one estimate, 329 significant outbreaks of violence took place in 257 cities. Seventy-two percent of rioters in Newark surveyed by the Kerner Commission said they agreed with the statement "Sometimes I hate white people"—a finding painful to white liberals.

The sea change in American presidential politics—the replacement of a liberal majority with a conservative majority—involved the conversion of a relatively small proportion of voters: the roughly five to ten percent of the electorate, made up primarily of white working-class voters, empowered to give majority status to either political party. Alabama Governor George C. Wallace was the politician who showed the Republicans how to seize lower-income white voters. Running as a third-party candidate in 1968, Wallace capitalized on the huge defection of white Democrats, particularly in the South, as the Democratic Party formally repudiated segregation. He won just under 14 percent of the vote. Wallace and Nixon together that year won 57 percent of the vote, however, establishing what would become the conservative presidential majority. This majority carried every presidential election but one over the next twenty years—the exception being Southern Baptist Jimmy Carter's victory in the wake of Watergate, the worst Republican scandal in history.

The strength of Wallace's appeal in 1968 went beyond white backlash. Wallace defined a new right-wing populism, capitalizing on voter reaction to the emergence of racial, cultural, and moral liberalism. Wallace demonized an elite Democratic establishment, providing a desperately sought-after moral justification to those whites who saw themselves as victimized and displaced by the black



struggle for civil rights and by broader social change. For these voters, Wallace portrayed the civil-rights movement not as the struggle of blacks to achieve equality—a goal impossible to challenge on moral grounds—but as the imposition of intrusive “social engineering” on working men and women by a coercive federal government in the hands of a liberal cabal: lawyers, judges, editorial writers, government bureaucrats, and intellectuals. “They have looked down their noses at the average man on the street too long,” Wallace told disaffected voters. “They’ve looked down at the bus driver, the truck driver, the beautician, the fireman, the policeman, and the steelworker, the plumber, and the communications worker, and the oil worker, and the little businessman, and they say, ‘We’ve gotta write a guideline. We’ve gotta tell you when to get up in the morning. We’ve gotta tell you when to go to bed at night.’” Wallace laid the groundwork for the Republican assault



on “reverse discrimination.” “You know who the biggest bigots in the world are—they’re the ones who call others bigots,” he declared at a Milwaukee rally, as he struggled to be heard over the shouts of protesters. In another campaign speech he said, “It’s a sad day in the country when you can’t talk about law and order unless they want to call you a racist. I tell you that’s not true.”

Perhaps most important for long-range Republican strategy, Wallace brought into mainstream presidential politics a new political symbol, a vilified Democratic establishment that replaced as an enemy of lower-income voters the Republican establishment of corporate Amer-

ica and the rich. Wallace effectively portrayed this Democratic establishment as bent on imposing a liberal, authoritarian, statist agenda on an unwilling electorate.

To voters resentful of the heavy hand of the new liberal establishment, Wallace said, “You are one man and one woman, and your thoughts are just as good as theirs.”

Richard Nixon set out to win the Wallace vote. Nixon was among the first Republicans to understand how the changing civil-rights agenda could be manipulated to construct a new conservative majority. His strategy effectively straddled the conflict between increasing public support for the abstract principle of racial equality and intensified public opposition to government-driven enforcement mechanisms. Nixon found a message that encompassed the position of the growing majority of white Americans who had come to believe that the denial of basic citizenship rights to blacks was wrong, but who were at the same time opposed to the prospect of forced residential and educational integration, directed by the courts and the federal regulatory bureaucracy.

When, in October of 1969, the Supreme Court rejected an Administration attempt to postpone the desegregation of Mississippi’s schools, Nixon declared, “We will carry out the law,” but he stressed that he did “not feel obligated to do any more than the minimum the law required.” The Court ruling, Nixon warned, should not be viewed by “the many young liberal lawyers [in the Justice Department] . . . as a carte blanche for them to run wild through the South enforcing compliance with extreme or punitive requirements they had formulated in Washington.” On the campaign trail in 1972 Nixon declared,

There is no reason to feel guilty about wanting to enjoy what you get and get what you earn, about wanting your children in good schools close to home, or about wanting to be judged fairly on your ability. Those are not values to be ashamed of; those are values to be proud of. Those are values that I shall always stand up for when they come under attack.

The Republican Racial Strategy

A CENTRAL IRONY OF THE NIXON ADMINISTRATION was that the development of a Republican alternative—“black capitalism”—to the traditional civil-rights agenda created a critical vulnerability for Democrats in the 1980s. Under black capitalism the federal government began actively to promote three racial-preference programs that would soon become con-

troverial: a minority contracting program known as "8-a," which set aside fixed percentages of federal contracts for minority-owned businesses; the Office of Minority Business Enterprise, established within the Department of Commerce to assist minority business in securing government contracts; and, most important, the so-called Philadelphia Plan, designed to increase black access to high-paying union jobs.

The Philadelphia Plan established the authority of the federal government to require companies doing business with the government to set up "goals and timetables" for the hiring and promotion of minority members. The plan set specific percentage "ranges" for blacks and other minority groups for craft-union jobs. For example, plumbers and pipefitters, of whom only twelve out of 2,335 in Philadelphia were black (0.5 percent), were given a hiring goal of five to eight percent in 1970, a range that would rise to 22 to 26 percent by 1973. The goals-and-timetables mechanism was incorporated in 1970 into the regulations governing all federal procurement and contracting—affecting a universe of corporations that employed more than a third of the nation's work force.

Nixon in 1969 did not anticipate that the affirmative-action provisions of his Philadelphia Plan would become, in the course of the next twenty years, essential to a Republican strategy of polarizing the electorate along lines of race—and thus be vital to constructing a presidential partisan realignment. It did not take him long to learn, however: by the 1972 election Nixon was campaigning against the quota policies that his own Administration had largely engendered.

It was Nixon's re-election campaign that developed a relatively comprehensive Republican racial strategy stressing whenever possible the costs of remedies for discrimination, especially in the cases of busing and affirmative action. On March 17, 1972, Nixon escalated his assault on busing. The school bus, "once a symbol of hope," had become a "symbol of social engineering on the basis of abstractions," he said. Seeking to reap political rewards from the growing stockpile of blue-collar resentment, Nixon turned against his own Philadelphia Plan: "When young people apply for jobs . . . and find the door closed because they don't fit into some numerical quota, despite their ability, and they object, I do not think it is right to condemn those young people as insensitive or even racist."

The Democrats Become a White-Collar Party

IN DEVISING A POLITICAL STRATEGY FOR CAPTURING white working-class and southern voters, the Nixon Administration in 1972 would have had difficulty designing a scenario more advantageous to the Republicans, and more damaging to the Democratic Party, than the one the Democrats devised for themselves.

This scenario grew out of a seemingly minor development at the 1968 Democratic convention. As a token gesture of appeasement to the forces of Eugene McCarthy and Robert Kennedy, Democratic Party regulars allowed the creation of a special Commission on Party Structure and Delegate Selection, to ensure that "all feasible efforts have been made to assure that delegates are selected through party primary, convention, or committee procedures open to public participation within the calendar year of the National Convention."

No one, neither Democratic Party regulars nor the press, had any notion of the scope of what had been set in motion. "There was not much attention to the Rules Committee reports," Max Kampelman, one of Hubert Humphrey's major strategists, recalled later. "Our objective was to get a nominee. . . . We said to ourselves, if you are going to *study* it, you can control it. If you get the nomination, you'll have control of the DNC [Democratic National Committee]. If you have the DNC, then you'll control any study. A study commission could be a way of harmonizing the issue." Few political judgments have proved more incorrect.

The liberal-reform wing of the Democratic Party—in part made up of veterans of the civil-rights and student anti-war movements—dominated the party-structure commission and achieved a radical alteration of the presidential-delegate selection process. The new rules shifted the power to nominate presidential candidates from the loose alliance of state and local party structures, which had in the past been empowered to use their control of the party to pick delegates, to the universe of activists, often rights-oriented liberal reformers, who were now granted direct access to the machinery of delegate selection. "Before reform," Byron Shafer wrote in his book describing the party rules changes, *Quiet Revolution*,

there was an American party system in which one party, the Republicans, was primarily responsive to white-collar constituencies and in which another, the Democrats, was primarily responsive to blue-collar constituencies. After reform, there were two parties each responsive to quite different white-collar coalitions, while the old blue-collar majority within the Democratic Party was forced to try to squeeze back into the party once identified predominantly with its needs.

In other words, those who unquestionably lost power in the Democratic presidential-nomination process were the white working- and lower-middle-class voters who were already leaving the party in droves because they felt the heaviest burdens of the civil-rights revolution had been placed on their shoulders.

Party reforms produced a substantive ideological upheaval. Before 1972, Democratic presidential delegates were only slightly more liberal than the public at large, according to delegate surveys, while Republican delegates were considerably more conservative than the electorate. Delegates to the 1972 Democratic convention,

however, were significantly further to the political left of the electorate at large than the Republican delegates that year were to the right.

No development better summarizes the shift in intraparty power than the decision by the McGovern forces at the 1972 convention to oust the fifty-nine-member Cook County delegation under the control of Chicago Mayor Richard Daley. Since 1932 the Chicago organization had been more important to the success or failure of Democratic presidential candidates than any other city machine. Without Daley in 1960, for example, John F. Kennedy would not have carried Illinois by an 8,858-vote margin.

The Cook County delegation, elected in a March 21 Illinois primary, was vulnerable to challenge because Daley's machine had slated candidates in closed meetings, and because the composition of the Chicago delegation did not include the required proportions of women and blacks.

Pro-McGovern reformers successfully voted out the Daley delegates and replaced them with a slate "chosen no one knew quite how," according to Theodore H. White. White wrote,

In the 1st Congressional District of Chicago, for example, a group of people had met at the home of one James Clement and decided that only *ten* of those present might vote for an alternate to Mayor Daley's slate; those ten had chosen 7 delegates, including the Reverend Jesse Jackson. This rival hand-picked alternate slate offered the exact proportion of women, blacks and youth required by the McGovern reform rules. Yet the elected slate in the 1st Congressional had been voted in by the people of Chicago, and these had not.

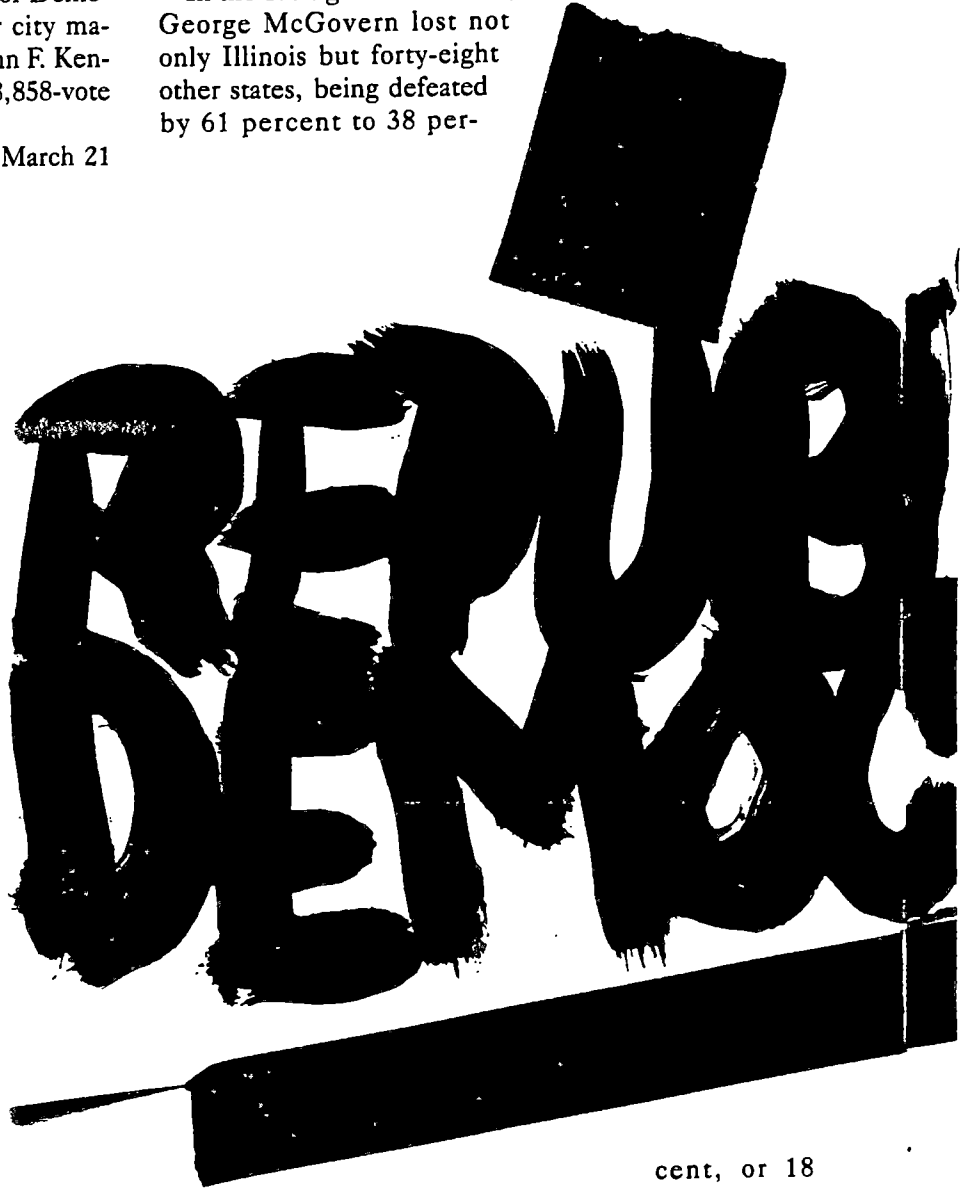
In an open letter to Alderman William Singer, the leader of the Chicago reformers, the *Chicago Sun-Times* columnist Mike Royko wrote,

I just don't see where your delegation is representative of Chicago's Democrats. . . . About half of your delegates are women. About a third of your delegates are black. Many of them are young people. You even have a few Latin Americans. But as I looked over the names of your delegates, I saw something peculiar. . . . There's only one Italian there. Are you saying that only one out of every 59 Democratic votes cast in a Chicago election is cast by an Italian? And only three of your 59 have Polish names. . . . Your reforms have disenfranchised Chicago's white ethnic Democrats, which is a strange re-

form. . . . Anybody who would reform Chicago's Democratic Party by dropping the white ethnic would probably begin a diet by shooting himself in the stomach.

After the credentials committee voted seventy-one to sixty-one to oust the Daley delegation, Frank Maniewicz, a spokesman for the McGovern campaign, dryly noted, "I think we may have lost Illinois tonight."

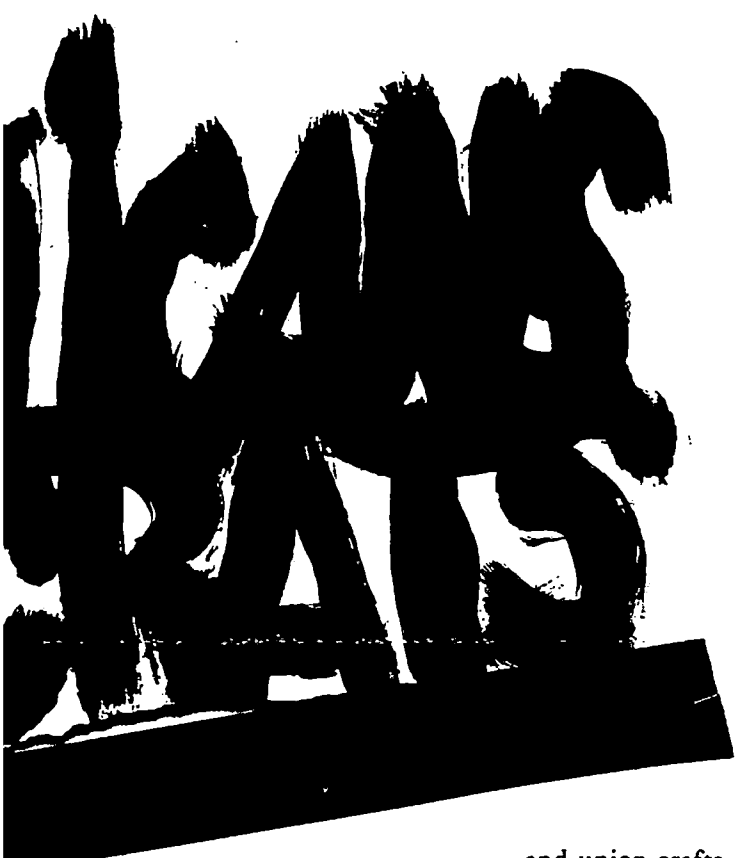
In the 1972 general election, George McGovern lost not only Illinois but forty-eight other states, being defeated by 61 percent to 38 per-



cent, or 18 million votes. For the long-run future of the capacity of the Democratic Party to nominate and elect Presidents, the central issue was not just the magnitude of McGovern's defeat. It was the inability of the Democratic Party to absorb competing factions and to mediate the differences among them. The new rules removed from the presidential-nomination process those white elected and party officials who were closer to the racial and cultural conflicts plaguing the party than the liberal reformers who dominated the proceedings. Among those who did not attend the

1972 convention were 225 of 255 Democratic congressmen, the Democratic mayors of Los Angeles, Detroit, Boston, Philadelphia, and San Francisco, Mayor Daley and his Chicago loyalists, and uncounted city councilmen, state legislators, and leaders of Democratic ward organizations.

These leaders represented white voters who were on the front lines of urban housing integration; who were the subjects of busing orders; who were competitors for jobs as policemen and firemen



and union craftsmen which were governed by affirmative-action consent decrees; who regarded as incomprehensible many liberal Supreme Court decisions on criminals' rights, abortion, sexual privacy, school prayer, busing, and obscenity. These voters and their political representatives were, and still are, largely relegated to peripheral status in the Democratic presidential-primary process. With the withdrawal of socially conservative white voters from the nomination process, Democratic presidential candidates have negotiated that process in the context of an artificially liberal primary electorate that puts the candidates outside the ideological mainstream and provides them with virtually no training in the kinds of accommodation and bargaining essential to general-election victory.

The Civil Rights Agenda Becomes Redistributive

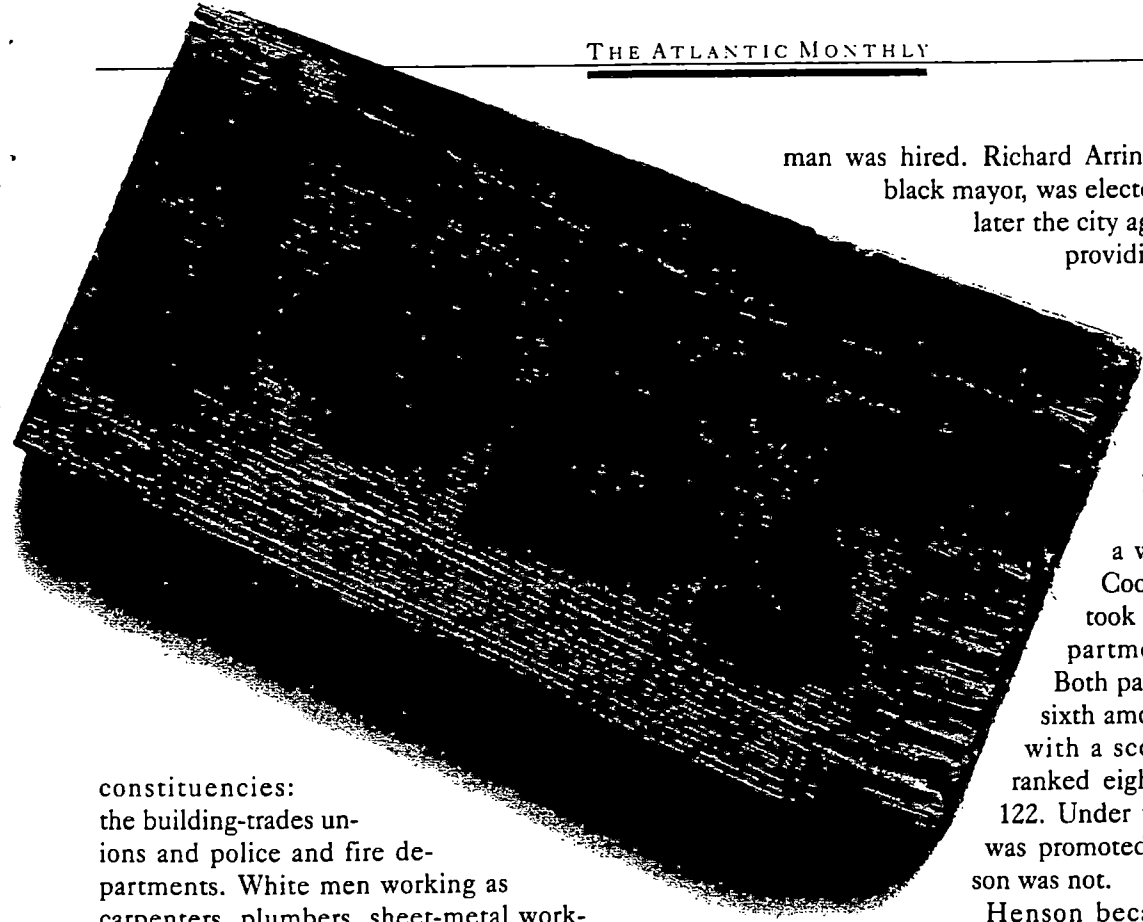
AS THE WHITE WORKING-CLASS VOTERS WHO HAD formed the core of the New Deal coalition began to lose clout within the Democratic Party, the economy began to falter. Steady economic growth, which had made redistributive government policies tolerable to the majority electorate, came to a halt in the mid-1970s. With stagnation the threat to Democratic liberalism intensified. Just as the civil-rights movement reached its height, high-paying union jobs and big-city patronage—which had served to foster upward mobility for each succeeding immigrant generation—began to dry up. Many blacks lost even a toehold on the ladder, while whites slipped down, sometimes just a rung, sometimes all the way to the bottom.

The end of vigorous post-Second World War economic growth came in 1973. Hourly earnings, which had grown every year since 1951 in real, inflation-adjusted dollars, fell by 0.1 percent in 1973, by 2.8 percent in 1974, and by 0.7 percent in 1975. Weekly earnings fell more sharply, by 4.1 percent in 1974 and by 3.1 percent in 1975. Median family income, which had grown from \$20,415 (in 1985 inflation-adjusted dollars) in 1960 to \$29,172 in 1973, began to decline; family income fell to \$28,145 in 1974 and then to \$27,421 in 1975.

In a whipsaw action the middle-class tax burden rose with inflation while the economy and real income growth slowed. The tax system was losing its progressivity, placing a steadily increasing share of the cost of government on middle- and lower-middle-class voters, vital constituencies for the Democratic Party. In 1953 a family making the median family income was taxed at a rate of 11.8 percent, while a family making four times the median was taxed at 20.2 percent, nearly double. By 1975 the figures had become 22.7 percent for the average family and 29.5 percent for the affluent family. In other words, for the affluent family the tax burden increased by 46 percent from 1953 to 1976, while for the average family it increased by 92.4 percent.

As the job market, income patterns, and growing pressure from many groups for spending on the poor created a competition for government funds in which there were more losers than winners, the civil-rights agenda itself became increasingly redistributive. In order to remedy past and present discrimination in both employment and education, the courts and the federal regulatory structure turned to tough affirmative-action policies. Federal directives and regulations—developed in part by the Equal Employment Opportunity Commission and endorsed by the Supreme Court in 1971 in *Griggs v. Duke Power Co.* and in later decisions—sharply restricted hiring and promotion procedures that adversely affected blacks.

The most aggressive efforts to provide jobs for blacks were directed at the most besieged white Democratic



constituencies: the building-trades unions and police and fire departments. White men working as carpenters, plumbers, sheet-metal workers, iron workers, steamfitters, cops, and firemen became the focus of the anti-discrimination drive waged by the Civil Rights Division of the Justice Department.

The dilemma inherent in using racial preference to remedy past discrimination is sharply reflected in Justice William Brennan's 1976 majority opinion upholding the award of retroactive seniority to blacks in *Franks v. Bowman Transportation Co., Inc.*, and in the dissenting opinion of Justice Lewis Powell.

Brennan wrote that retroactive seniority was essential for the victim of discrimination, because without it he

will never obtain his rightful place in the hierarchy of seniority according to which these various employment benefits are distributed. He will perpetually remain subordinate to persons who, but for the illegal discrimination, would have been, in respect to entitlement to these benefits, his inferiors.

Powell, on the other hand, contended that the award of retroactive seniority would penalize "the rights and expectations of perfectly innocent employees. The economic benefits awarded discrimination victims would be derived not at the expense of the employer but at the expense of other workers."

The intensity of the conflict over affirmative action can be seen in less abstract terms in Birmingham, Alabama. Not until 1968—103 years after the end of the Civil War—did the Birmingham fire department hire its first black fireman. Throughout all those years blacks were systematically denied the opportunity not only of employment but also of building seniority and learning the promotional ropes. Legal proceedings were initiated against the city in 1974, the year the second black fire-

man was hired. Richard Arrington, Birmingham's first black mayor, was elected in 1979, and two years later the city agreed to a consent decree providing that every white hire or promotion would be matched, one for one, by a black hire or promotion, as long as blacks were available who had fulfilled basic test requirements.

In 1983 James Henson, a white fireman, and Carl Cook, a black fireman, both took the Birmingham Fire Department test for lieutenant. Both passed, but Henson ranked sixth among all who took the test, with a score of 192, while Cook ranked eighty-fifth, with a score of 122. Under the consent decree Cook was promoted to lieutenant and Henson was not.

Henson became part of a group of whites attempting to challenge the consent decree. He argued, "I can understand that blacks had been historically discriminated against. I can also understand why people would want to be punitive in correcting it. Somebody needs to pay for this. But they want me to pay for it, and I didn't have anything to do with it. I was a kid when all this went on."

Cook countered, "Say your father robs a bank, takes the money and buys his daughter a Mercedes, and then buys his son a Porsche and his wife a home in the high-rent district. Then they discover he has embezzled the money. He has to give the cars and house back. And the family starts to cry: 'We didn't do anything.' The same thing applies to what the whites have to say. The fact is, sometimes you have to pay up. If a wrong has been committed, you have to right that wrong."

The Birmingham case represents an extreme: pitting white and black workers against each other in a competition for government-controlled jobs and employment benefits. Over time these racial divisions reverberated in Birmingham's political system. Once, every elected official in this city was a Democrat; now racial conflict has begun to translate into a local partisan realignment. By the end of the 1980s Jefferson County, which encompasses Birmingham, had its eighteen seats in the state House of Representatives split between blacks and whites. In partisan terms there were eight black Democrats, one white Democrat, and nine white Republicans. Among the white Republican state representatives was Billy Gray, a former president of the Firefighters Union. Race had become central to establishing partisan difference.

The same zero-sum element of affirmative action in employment is applicable to higher education. "We are committed to a program of affirmative action, and we want to make the university representative of the population of the state as a whole," James A. Blackburn, the dean of admissions at the University of Virginia, said in 1988. "That means fewer spaces for the traditional mainstream white students who have come here from around the country. . . . If you were looking at the academic credentials, you would say Virginia has it upside down. We take more in the groups with weaker credentials and make it harder for those with stronger credentials."

Reagan and Race

EXPLLOSIVE FORCES—STAGNANT INCOMES, DECLINING numbers of manufacturing jobs, inflation-driven increases in marginal tax rates, sharply accelerating welfare dependency, skyrocketing crime, soaring illegitimacy, and affirmative-action competition for jobs and college placement—began to reach the point of combustion in the mid-to-late 1970s. Demo-

ty"—the original clarion call of the civil-rights movement—became the center-right position, the core of the new conservative egalitarian populism. Republican and Democratic differences over what "equal opportunity" meant reflected, in part, differences in the opinions of whites and blacks. By the 1980 election the ideological divergence had extended beyond issues of civil rights to basic questions about the role and responsibilities of the federal government. In 1980 blacks who believed that it was the responsibility of government to provide jobs outnumbered those who contended that "government should just let every person get ahead on his own" by a margin of 70–30, according to National Election Studies poll data. Whites, however, split in the opposite direction, contending by a 62–38 margin that government should just let "everyone get ahead on his own" rather than guaranteeing work.

Responses to this question also revealed the extent to which ideology, voting patterns, and race had become commingled. In addition to polarizing blacks and whites, the question was found to polarize Reagan and Carter voters, with Carter getting 80 percent of those who most

Nixon's re-election campaign developed a relatively comprehensive Republican racial strategy stressing whenever possible the costs of remedies for discrimination.

crats failed to recognize the threat these forces represented; leaders of the party were given false comfort by the belief that Watergate had done irreparable harm to the Republicans.

The importance of race in the chain of events that brought Ronald Reagan to the White House—from the Great Inflation of the 1970s to the California tax revolt—cannot be overestimated. Reagan, echoing Goldwater from sixteen years before, strengthened the image of the Republicans as the party of racial conservatism. Under Reagan in 1980 the percentage of voters who said the Republican Party was "not likely" to help minorities shot up to 66 percent (from 40 percent in 1976), while those who said that the party would help minorities collapsed to 11 percent (from 33 percent). Unlike Goldwater in 1964, however, Reagan in 1980 demonstrated that racial conservatism was no longer a liability—that in fact it was a clear asset—as his party made gains at every level of electoral competition from state legislative seats to the White House.

Under Reagan the Republican Party in 1980 was able to stake out a conservative civil-rights stand that won strong majority support. Advocacy of "equal opportuni-

ty" strongly supported government intervention to provide work, and Reagan winning 79 percent of those most strongly opposed to such intervention.

In a parallel split, Carter received 93 percent of the vote from those citizens, white and black, who most strongly supported government efforts "to improve the social and economic position of blacks," while Reagan got 71 percent of those who felt most adamantly that "the government should not make any special effort to help because they should help themselves."

Race, ideology, and partisanship had become inextricably linked, a linkage that empowered the Republican Party in its new populism. Lee Atwater, who ran southern operations for the 1980 campaign and managed George Bush's 1988 campaign, has argued, "In the 1980 campaign we were able to make the establishment, insofar as it is bad, the government. In other words, big government was the enemy, not big business. If the people are thinking that the problem is that taxes are too high and government interferes too much, then we are doing our job. But if they get to the point where they say the real problem is that rich people aren't paying taxes, that Republicans are protecting the realtors and so forth, then

I think the Democrats are going to be in pretty good shape. The *National Enquirer* readership is the exact voter I'm talking about. There are always some stories in there about some multimillionaire that has five Cadillacs and hasn't paid taxes since 1974, or so-and-so Republican congressman hasn't paid taxes since he got into Congress. And they'll have another set of stories of a guy sitting around in a big den with liquor saying so-and-so fills his den with liquor using food stamps." So what determines whether conservative or liberal egalitarianism is ascendant, Atwater says, is "which one of those establishments the public sees as a bad guy."

Reagan focused on the right-wing populist strategy described by Atwater, playing on the combustible mix of race, big government, and white working-class anger. One of Reagan's favorite anecdotes was the inflated story of a Chicago "welfare queen" with "eighty names, thirty addresses, twelve Social Security cards" whose "tax-free income alone is over \$150,000." The food-stamp program, in turn, was a vehicle to let "some young fellow ahead of you buy T-bone steak" while "you were standing in a checkout line with your package of hamburger."

Such implicitly race-laden images, and the values conflict associated with welfare and food stamps, furthered the Republican Party's efforts to expand beyond its traditional base and establish a sustained policy majority—which supported the first major retrenchment of the liberal government policies of the 1930s and the 1960s, ranging from assaults on labor to a broad attempt to dismantle the civil-rights regulatory structure and to overturn court rulings favoring minorities. In direct contrast to the "bottom-up" coalition of the New Deal Democratic Party, the new Republican presidential majority was—and is—a "top-down" coalition.

What "Fairness"—to Whom?

WHILE THE REAGAN ADMINISTRATION REPEATEDLY stressed the costs to white America of civil-rights enforcement, especially affirmative-action remedies, the Democratic Party, deliberately or inadvertently, continued to find itself identified with those costs. Throughout the 1984 campaign Walter Mondale was repeatedly enmeshed in negotiations with Jesse Jackson, with organized labor, with feminist groups, and, most damaging of all, with those seeking to raise taxes to fuel what many voters saw as an intrusive federal government. The vulnerability of the Democratic Party was reflected in the deeply hostile public reaction to Mondale's proposal to raise \$30 billion in new revenues to "promote fairness."

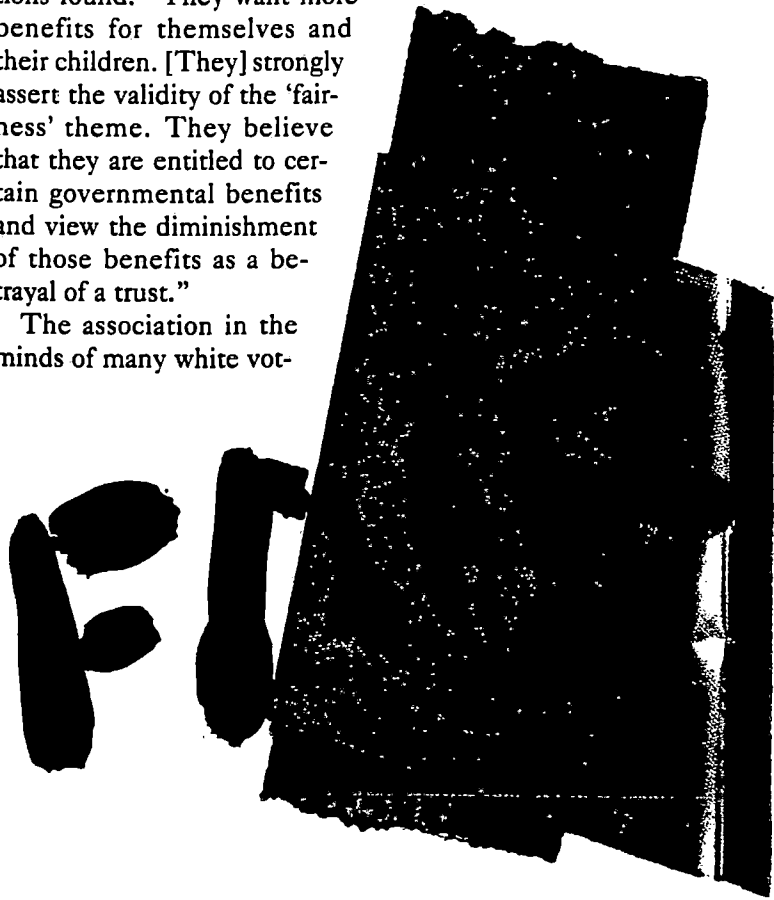
The Democratic "fairness" message in 1984 was viewed by a crucial sector of the white electorate through the prism of race. The Analysis Group, reporting on the views of white Democratic defectors in Macomb County, Michigan, found that

conventional Democratic themes, like opportunity and fairness, are now invested with all the cynicism and racism that has come to characterize these sessions [focus groups]. In effect, the themes and Party symbols have been robbed of any meaning for these Democratic defectors. On hearing the term "fairness," these voters recall, on the one hand, "racial minorities" or "some blacks kicking up a storm," and on the other hand, "only politics" or politicians who are "lying." It never occurred to these voters that the Democrats were referring to the middle class.

Similar views abound among white voters in such communities as Boston, Philadelphia, New Orleans, Chicago, and rural East Texas. These views are particularly devastating to the Democratic Party because fairness has become a central Democratic theme. The 1980 Democratic platform declared, "In all of our economic programs, the one overriding principle *must be fairness*." The platform of four years later asserted, "A nation is only as strong as its commitment to justice and equality. Today, *a corrosive unfairness* eats at the underpinnings of our society." (Emphases added.)

In addition, fairness remains a strong and legitimate issue for the legions of black Democratic voters. "The issues that concern working-class minorities comprise the traditional 'fairness' agenda of jobs, housing, welfare, and education," the voter study by CRG Communications found. "They want more benefits for themselves and their children. [They] strongly assert the validity of the 'fairness' theme. They believe that they are entitled to certain governmental benefits and view the diminishment of those benefits as a betrayal of a trust."

The association in the minds of many white vot-



ers of "fairness" with "fairness to minorities" has made it very difficult for the Democratic Party to capitalize on the striking increase in the disparity of income over the past decade not only between rich and poor but also between the working and lower-middle classes and the rich. During the 1980s the top one percent saw after-tax family income grow by 87 percent, from \$213,675 in 1980 to \$399,697 in 1990 (both figures in 1990 dollars); families just above the median, in the sixth decile, saw their after-tax income grow by only three percent, from \$25,964 in 1980 to \$26,741 in 1990.

In the 1988 election no one knew better than Michael Caccitolo, the Republican committeeman of Chicago's 23rd Ward, the difficulty of the Democratic Party's struggle to revive the issue of fairness among the once-Democratic voters of southwest Chicago. "Every night I sit at home and watch the news," he said. "I see Jesse [Jackson] up there talking about 'black empowerment, our people,' and that's sending a message out there that no Democratic precinct captain can possibly overcome. When the Dan Ryan [Expressway] was being built, the old lady from Operation Push [Rev. Willie Barrow, at that time the president of Jackson's Operation Push] comes out and says, 'We are going to close the Dan Ryan down unless we get more blacks on construction.' The people in the neighborhood remember that. Nobody threatened to close the Dan Ryan down to get Polish people on. And they [city and state officials] backed down and they gave a bunch of black guys entry-level jobs. And look who they threw off

and got sent back to the neighborhood and told, 'Get on unemployment.' All it takes is two or three of them. Would you define them as Republican precinct captains? No. Is it advantageous for the Republicans to watch a guy like that sitting in a tavern drinking his beer and telling the story about how he got bumped? And then all of a sudden it's six o'clock and [on TV] it's Jesse. It's bad and it ain't going to get better."

The Signal of "Crime"

IN 1988 THE BUSH CAMPAIGN ASSEMBLED AND DEPLOYED a range of symbols and images designed to tap into voters' submerged anxieties about race, culture, rights, and values—the anxieties that had helped to fuel the conservative politics of the post-civil-rights era. The symbols of the Bush campaign—Willie Horton, the ACLU, the death penalty, the Pledge of Allegiance, the flag—and rhetoric such as "no new taxes," the "L-word," and "Harvard boutique liberal" conjured up the criminal defendants'- and prisoners'-rights movements, black crime, permissive liberal elites, a revenue-hungry state, eroding traditional values, tattered patriotism, and declining American prestige.

Willie Horton represented, for crucial sectors of the electorate, the consequences of an aggressively expansive liberalism—a liberalism running up against majority public opinion, against traditional values, and, to a certain degree, against common sense. Horton came to stand for liberalism's blurring of legitimate goals, such as helping prisoners judged suitable for rehabilitation (prisoners, for example, without long records of violence), with the illegitimate goal, in the majority view, of "coddling" violent and dangerous criminals whom much of society judges irredeemable.

Republican strategists recognized that the furloughing of Willie Horton epitomized an evolution of the far-reaching rights movement, an evolution resented and disapproved of by significant numbers of voters. These voters saw crime as one of a number of social and moral problems aggravated by liberalism. The evolving rights movement was seen as extending First Amendment privileges to hard-core pornography, as allowing welfare recipients to avoid responsibility for supporting their children, as fostering drug use, illegitimacy, homosexual promiscuity, and an AIDS epidemic. All these led, in turn, to demands on taxpayers to foot skyrocketing social-service and health-care bills.

"Crime" became a shorthand signal, to a crucial group of white voters, for broader issues of social disorder, evoking powerful ideas about authority, status, morality, self-control, and race. "On no other issue is the dividing line so clear, and on no other issue is my opponent's philosophy so completely at odds with mine, and I would say with the common-sense attitudes of the American people, than on the issue of crime," Bush declared in an Oc-

tober 7, 1988, campaign speech to police officers in Xenia, Ohio, adding,

There are some—and I would list my opponent among them—who have wandered far off the clear-cut path of common sense and have become lost in the thickets of liberal sociology. Just as when it comes to foreign policy, they always “Blame America First,” when it comes to crime and criminals, they always seem to “Blame Society First.” . . . [Criminal justice under Dukakis is] a “Twilight Zone” world where prisoners’ “right of privacy” has more weight than the citizen’s right to safety.

The Racial Chasm

THE DIVISIVE POWER OF RACE AND RACE-INFUSED preoccupations with values, class, and social disorder endured throughout the 1980s, reverberating across the electorate. Differences of opinion between blacks and whites intensified over the decade. A 1989 voter study conducted by KRC Research and Consulting for Democrats For the 90’s, a private organization affiliated with the Democratic Party, revealed the extent to which key white Democratic voters “take issue with the Democratic rhetoric of representing the ‘middle class and the poor.’ These [voters] perceive themselves to be neither rich nor poor, and they do not like being referred to in the same breath as ‘the poor.’ They describe themselves as ‘working people.’” Black urban Democratic voters, conversely, “feel that the country and the Democratic Party are increasingly racist and that the party cares little for their needs and interests.”

Divisions between the races have emerged on a host of fronts. On the basic question of whether judges and

courts treat whites and blacks evenhandedly, 56 percent of white New Yorkers in a 1988 WCBS-*New York Times* poll said they believed that the system was fair and 27 percent said the system favored one race over another, with that 27 percent evenly split between those who saw black favoritism and those who saw white favoritism. Among black New Yorkers only 30 percent saw the system as fair, and 49 percent saw it as unfair, with the overwhelming majority of those who perceived unfairness seeing a bias in favor of whites.

Such highly controversial cases as the 1987 allegations of rape by Tawana Brawley and the 1984 shooting by the “subway vigilante” Bernhard Goetz of four black teenagers provoked sharply divergent views from blacks and from whites. After a grand jury determined in 1988 that Brawley had fabricated her story, 73 percent of white New Yorkers polled by WCBS-*New York Times* said she lied, while only 33 percent of blacks were prepared to make that judgment (18 percent said she told the truth, 14 percent said she didn’t know what happened to her, and 35 percent were unwilling to express an opinion). In the case of Goetz, the WCBS-*New York Times* poll found in 1985 that the proportion of whites describing themselves as supportive of the shooting, relative to those who were critical, was 50–37, as compared with 23–59 among blacks. Whites felt that Goetz was innocent of attempted murder by a margin of 47–18 (with the rest undecided), while blacks said that he was guilty by a margin of 42–19. (Hispanics sided more with whites than with blacks, favoring innocence over guilt at 41–23.)

Underlying these differences in public opinion is a profound gulf between blacks and whites over the cause of contemporary differences between the races. In seeking to clarify these differences of opinion, Ron Walters, a black political scientist at Howard University, has argued that the fundamental issue in the contemporary politics of race is “Who is responsible for our condition?” He says, “Once you draw the line on that, you draw the line on a lot of other race-value issues. Whites see blacks as generally responsible for their own situation, which means that whites refuse to take responsibility. Blacks see it differently. They believe there ought to be a continuing assumption of responsibility for their condition by the government, in addition to what they do for themselves. And therein lies a lot of the difference.”

This racially loaded confrontation over the issue of responsibility, both historical and contemporary, is perhaps best illustrated by the views of the political analysts Roger Wilkins and Patrick Buchanan. Wilkins, a black professor of history at George Mason University and a well-known commentator who served as an assistant attorney general in the Johnson Administration and was an editorial writer for *The New York Times* and *The Washington Post*, has written,

The issue isn’t guilt. It’s responsibility. Any fair reading of history will find that since the mid-seventeenth cen-

BONSAI

Old man, precarious
on splayed feet,

leaning over the rim
of the known world,

gnarled, angled
(as we imagine age),

short of breadth,
he speaks of the past,

knowing in his roots
many tall stories.

—Leonard Cochran

ture whites have oppressed some blacks so completely as to disfigure their humanity. Too many whites point to the debased state of black culture and institutions as proof of the inferiority of the blacks they have mangled. . . . [The logical implication] is simple: black people simply need to pull up their socks. That idea is wrong and must be resisted. . . . Like it or not, slavery, the damage from legalized oppression during the century that followed emancipation, and the racism that still infects the entire nation follow a direct line to ghetto life today.

On the other side, Buchanan, an Irish Catholic who was a ranking conservative strategist for the Nixon and Reagan administrations and remains a widely followed political columnist and television commentator of the hard right, has written,

Why did liberalism fail black America? Because it was built on a myth, the myth of the Kerner Commission, that the last great impediment to equality in America was 'white racism.' That myth was rooted in one of the oldest of self-delusions: It is because you are rich that I am poor. My problems are your fault. You owe me!

There was a time when white racism did indeed block black progress in America, but by the time of the Kerner Commission ours was a nation committed to racial justice. . . .

The real root causes of the crisis in the underclass are twofold. First, the old character-forming, conscience-forming institutions—family, church, and school—have collapsed under relentless secular assault; second, as the internal constraints on behavior were lost among the black poor, the external barriers—police, prosecutors, and courts—were systematically undermined. . . .

What the black poor need more than anything today is a dose of the truth. Slums are the products of the people who live there. Dignity and respect are not handed out like food stamps; they are earned and won. . . .

The first step to progress, for any group, lies in the admission that its failures are, by and large, its own fault, that success can come only through its own efforts, that, while the well-intentioned outsider *may* help, he or she is no substitute for personal sacrifice.

Can America Afford Affirmative Action?

THE CONFLICT REPRESENTED BY WILKINS AND Buchanan is driven not only by a fundamental difference over values and responsibility but also by economic and demographic forces. These forces are helping to make the political struggle for public resources and benefits increasingly bitter and increasingly irreconcilable. In

many respects these forces are working in tandem to make the process of incorporating new groups into the mainstream of American society more difficult. They include the globalization of the economy, the growing disparity between the wages paid to the college-educated and the wages paid to those with a high school diploma or less, the drop in college entry by blacks, and the emergence of a

suburban voting majority.

The globalization of the economy constitutes a fundamental attack on the mechanisms traditionally relied upon to integrate new untrained and poorly educated groups into the mainstream of American life. Before the internationalization of manufacturing, policies and practices ranging from widespread political patronage to legislation creating the pro-union National Labor Relations Board forced the incorporation of immigrant groups into the work force.

The threat represented by overseas competition has

thrust American companies into a battle for survival in which there is little or no room to accommodate the short-term costs of absorbing blacks and other previously excluded minority groups into the labor force. And while affirmative action performs for blacks and other minorities the same function that patronage performed for waves of immigrants from Ireland and southern Europe, it also imposes costs that place American companies at a disadvantage in international competition.

These costs lie at the core of the debate over the civil-rights bill of 1991. Although the issue of quotas has dominated public discussion of the civil-rights bill, the real battle is over legislating the precise cost to companies that affirmative-action programs will involve. In an attempt to overturn recent conservative rulings by the Supreme Court (now dominated by Republican appointees), the Democratic leadership of Congress has proposed legislation strictly limiting the use of ability tests and other hiring procedures with potentially discriminatory impact, even in the absence of discriminatory intent. If hiring or promotion procedures are found to have "adverse impact" on blacks—that is, if disproportionately more blacks (or other minorities) than whites are rejected—employers must demonstrate that such tests are essential for business operation and meet a stringent "business necessity" standard. The legislation would in effect overturn a 1989 Supreme Court decision, *Wards Cove Packing Co. v. Atonio*, that allowed companies to use ability tests and other hiring criteria that adversely affect blacks and Hispanics if such criteria met the far less stringent

standard of "business justification." *Wards Cove* explicitly declared that "there is no requirement that the challenged practice be 'essential' or 'indispensable' to the employer's business."

Such seemingly arcane and legalistic phrases as "business necessity" and "business justification" can have profound consequences. If, for example, companies were permitted to use scores on ability tests as a hiring criterion, it would at present be a major setback to the hiring of blacks and Hispanics—unless scores were adjusted for differences among whites, blacks, Hispanics, and other groups (a scoring process termed "within-group scoring," "within-group adjustment," or "race-norming").

The importance of restricted ability testing for the em-

ployment prospects of blacks and Hispanics has been documented in two book-length studies, *Ability Testing* (1982) and *Fairness in Employment Testing* (1989), by the National Research Council. On almost all ability tests studied, the council found (without engaging the unresolved issue of causes), blacks scored substantially below whites, and Hispanics scored somewhere in between. One study found, for example, that on average, if hiring were done strictly on the basis of ability-test scores, an employer selecting from a pool of 100 whites and 100 blacks would take only three blacks in the first twenty-three applicants chosen, and only six blacks in the first thirty-six. The differences in test-score results are reduced, but remain substantial, for blacks and whites of similar income and education.

The contemporary conflict over affirmative action is rooted in the issue of test scores. Everywhere from college admissions to hiring for jobs, tests have become a primary instrument for determining personal status, income, and security. On one side of the debate it is argued that the unrestricted use of ability tests imposes an extraordinary burden on blacks, Hispanics, and other minorities; on the other that prohibiting ability testing imposes costs on the economy in terms of lost productivity and efficiency.

The New Segregation

WHILE LOW-SKILL, ENTRY-LEVEL JOBS HAVE moved overseas to low-wage countries, the domestic job market has changed in ways that work to enlarge, rather than to lessen, disparities in the incomes of whites and of blacks. The growing demand for college-educated workers and the decline in demand for low-skill manual workers have in recent years substantially changed wage patterns.

From 1975 to 1988 the average earnings of entry-level workers with college or more-advanced degrees rose from about 130 percent to about 180 percent of the earnings of workers with high school diplomas. This shift was inherently damaging to blacks: in 1988, 13.1 percent of blacks between the ages of twenty-five and thirty-four had college degrees, as compared with 24.5 percent of whites.

Compounding this disparity is a second development: just as the value of a college education has skyrocketed, the percentage of blacks between the ages of eighteen and twenty-four who go on to college and get a degree has fallen. From 1976 to 1988 the percentage of blacks aged eighteen to twenty-four enrolled in college fell from 22.6 to 21.1, while the percentage of whites rose from 27.1 to 31.3.

The effect of these two trends has been to undermine what was a powerful drive toward economic and educational equality between the races. In the ten years immediately following the passage of the 1964 Civil Rights Act, the economy pushed the earnings of both blacks and whites who were in the work force steadily upward.

There was a strong convergence of shared prosperity and growing racial equality. From 1963 to 1973 average weekly earnings for everyone grew from \$175.17 to \$198.35, in 1977 inflation-adjusted dollars. As wages rose for whites and blacks, income differentials were sharply reduced: from 1963 to 1977–1978 the difference between black and white wages dropped from the 45 percent range down to the 30 percent range, a drop of about one percentage point a year. For younger, well-educated workers the gap had almost disappeared by the mid-1970s.

Starting in the late 1970s and continuing into the early 1980s, however, the situation began to change radically. While the income of college graduates continued to rise, the income of high school graduates began to fall. At the same time that the so-called “college wage premium” rose, the wage levels for job categories that employ disproportionately more whites (professionals, managers, and sales personnel) grew substantially faster than wage levels for those categories employing disproportionate numbers of blacks (machine operatives and clerical, service, and household workers).

The result has been a striking shift in racial wage pat-

The 1992 election will be the first in which the suburban vote, as determined from U.S. Census data, will be an absolute majority of the total electorate. From 1968 to 1988 the percentage of the presidential vote cast in suburbs grew from 35.6 percent to 48.3 percent, and there will be a gain of at least two percent by 1992 under current trends.

Suburban growth will in all likelihood profoundly change national politics, and will further deepen schisms between the public-policy interests of the two races. Although opinion polls show increasing support for government expenditures on education, health, recreation, and a range of other desired public services, a growing percentage of white voters are discovering that they can become fiscal liberals at the local *suburban* level while remaining conservative about federal spending. These voters can satisfy their need for government services through increased local expenditures, guaranteeing the highest possible return to themselves on their tax dollars, while continuing to demand austerity at the federal level. Suburbanization has permitted whites to satisfy liberal ideals revolving around activist government while keep-

*“Crime” became a shorthand
signal for broader issues of social disorder,
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morality, self-control, and race.*

terns. Starting at the end of the 1970s the convergence between the incomes of working blacks and whites—a convergence that had the potential in the long run to enlarge the economic common ground between the races—came to a halt. In the late 1970s black wages abruptly stopped catching up to white wages, with the differential stagnating at roughly 30 percent.

For a Democratic Party seeking to build a majority coalition aligning the interests of blacks and whites, this was a grave blow. The failure of the trend toward wage equality to continue has encouraged the conflict between black and white world views, in which black gains are seen as a cost to whites, and white advantages are seen as a manifestation of racism.

Race and the Suburbs

JUST AS WAGE AND EDUCATION PATTERNS ARE WORKING to undermine what was a trend toward economic equality between the races, the dominant demographic trend in the nation—suburbanization—is working to intensify the geographic separation of the races, particularly of whites from poor blacks.

ing to a minimum the number of blacks and poor people who share in government largesse.

For example, the residents of Gwinnett County, Georgia, which is one of the fastest-growing suburban jurisdictions in the United States, heavily Republican (76 percent for Bush), affluent, and predominantly white (93.6 percent)—have been willing to tax and spend on their own behalf as liberally as any Democrats. County voters have in recent years approved a special recreation tax; all school, library, and road bond issues; and a one percent local sales tax.

The accelerated growth of the suburbs has made it possible for many Americans to pursue certain civic ideals (involvement in schools, cooperation in community endeavors, a willingness to support and to pay for public services) within a smaller universe, separate and apart from the consuming failure (crime, welfarism, decay) of the older cities.

If a part of the solution to the devastating problems of the underclass involves investment in public services, particularly in the public school systems of the nation's major cities, the growing division between city and suburb lessens white self-interest in making such an invest-

ment. In 1986 fully 27.5 percent of all black schoolchildren, and 30 percent of all Hispanic schoolchildren, were enrolled in the twenty-five largest central-city school districts. Only 3.3 percent of all white students were in these same twenty-five districts. In other words, 96.7 percent of white children are educated outside these decaying school systems.

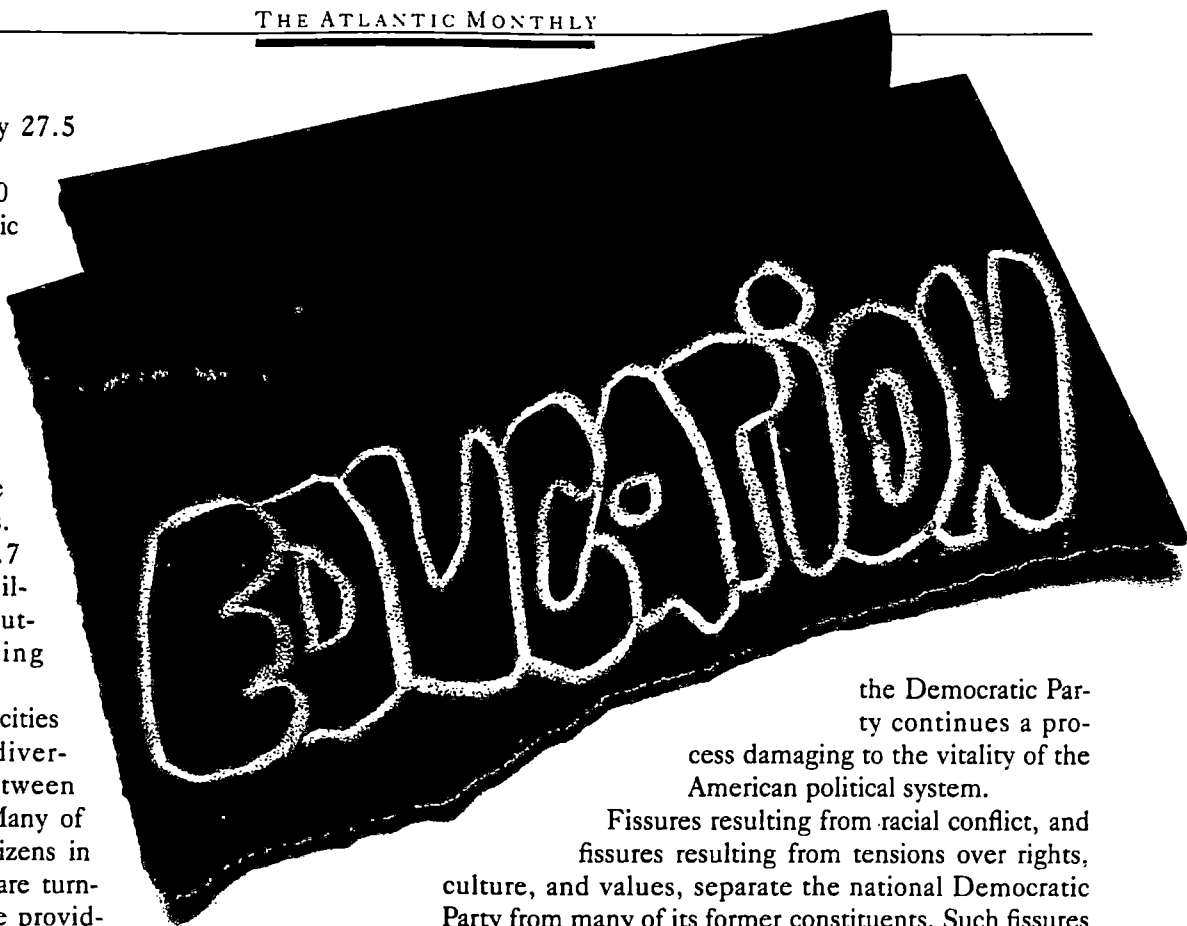
Even within major cities there is a growing divergence of interest between blacks and whites. Many of the more affluent citizens in racially mixed cities are turning to private service providers, including independent and parochial schools, private police and security services, proliferating private recreational clubs, and private transportation companies.

The End of the Democratic Party?

IN POLITICAL TERMS RACE CLEARLY REMAINS A REPUBLICAN trump card, while racial fissures within the Democratic Party leave it weakened and vulnerable.

On a broad strategic scale the Republican Party over the past two years has taken steps to capture the fairness issue and to defuse charges of Republican racism, initiating an aggressive drive to win the support of affluent blacks and even running, on occasion, fully competitive black candidates. Income trends in the black community suggest a reservoir of prospective Republican support: the income of the top fifth of black families has over the past two decades been growing at a significantly faster rate than the income of the top fifth of white families. Trends among the well-to-do of both races have led to increasing racial equality of income, in sharp contrast to trends among the least affluent blacks and whites: the bottom fifth of the black community is falling steadily further behind the bottom fifth of the white community.

Insofar as the Republican drive to win support among affluent middle-class blacks is successful, and insofar as the party is able to insulate itself from charges of racism, it will further isolate the national Democratic Party as the party of poor, underclass black America. The isolation of



the Democratic Party continues a process damaging to the vitality of the American political system.

Fissures resulting from racial conflict, and fissures resulting from tensions over rights, culture, and values, separate the national Democratic Party from many of its former constituents. Such fissures have forced the party to increase its dependence on special interests in order to maintain its congressional majority.

Without the resource of plurality voter loyalty, Democratic members of the House of Representatives—the seemingly unshakable bastion of Democratic power in Washington—have come to rely increasingly on an essentially corrupt system of campaign finance, on the perquisites of incumbency, on pork-barrel spending, and on the gerrymandering of districts in order to thwart continuing demographic and ideological shifts favoring their opponents.

As recently as the mid-1970s the Democratic Party was able to portray itself as the party of political reform, battling a Republican Party dominated by moneyed interests. Now Democrats in the House of Representatives are more dependent on institutionalized special-interest groups than are their Republican adversaries. In 1990 the majority—52.6 percent—of the campaign contributions received by Democratic incumbent House members running for re-election came from political-action committees, while the percentage of support from individual donors represented a steady decline, from 44.8 percent in 1984 to 38.0 percent in 1990. Republican House incumbents, in contrast, received 50.9 percent of their financial support from individuals in 1988, and 41.1 percent from PACs, in a pattern virtually the mirror image of the Democrats'. In 1988 not only did labor PACs follow tradition by giving far more to Democratic House incumbents (\$16.7 million) than to Republican incumbents (\$1.9 million), but corporate PACs—the contemporary version of “mon-

eyed interests"—gave more money to Democratic House incumbents (\$15.7 million) than to their Republican counterparts (\$13.5 million). While helpful to incumbents in the short term, this kind of contribution pattern weakens any claim the Democratic Party may make to provide popular representation.

The Democratic reliance on special interests in fact extends beyond Congress to a second party stronghold, the nation's major cities. The public's ability to direct essential services—most important, the public school system—has been lost in varying degrees to institutionalized bureaucracies. Within urban school systems faced with declining tax bases and lessened federal support, associations and unions representing teachers, principals, administrators, clerical staff, custodians, carpenters, and security guards have become politically influential in protecting their members' tenure while carefully limiting their responsibility for meeting the larger goal—that of producing well-educated students.

Democratic vulnerability on this terrain is perhaps nowhere better reflected than in Detroit—possibly the most Democratic municipality in the nation, a city with one of the nation's worst school systems and perhaps the worst delivery of public services. In recent years Detroit voters elected a black Republican school-board president and a black Republican city councilman. Both were elected on platforms of promises to break through bureaucratic ossification and revive competitive market forces, through parental choice in school assignments, through private alternatives to public services, and through the transfer of power and responsibility from administrators downtown to principals and teachers in the trenches.

The congressional wing of the Democratic Party has become locked into an alliance with the forces of reaction—with interests and bureaucracies conducting largely futile efforts to resist, among other things, the consequences of international economic change. The Democratic Party has, in many respects, discovered that survival depends on the creation of a congressional party entrusted by the people to look after parochial interests—from water projects to rice subsidies to highways to health care for the elderly. However, to the degree that presidential elections have become referenda on the nexus of social, moral, racial, and cultural issues in the broadest sense, the Democratic Party has in five of the past six elections been at a competitive disadvantage.

The losers in this process are not only the Democratic Party and liberalism but also the constituencies and alliances they are obliged to represent. The fracturing of the Democratic coalition has permitted the moral, social, and economic ascendance of the affluent in a nation with a strong egalitarian tradition, and has permitted a diminution of economic reward and of social regard for those who simply work for a living, black and white. Democratic liberalism—the political ideology that helped to pro-

duce a strong labor movement, that extended basic rights to all citizens, and that has nurtured free political and artistic expression—has lost the capacity to represent effectively the allied interests of a biracial, cross-class coalition. Liberalism, discredited among key segments of the electorate, is no longer a powerful agent of constructive change. Instead, liberal values, policies, and allegiances have become a source of bitter conflict among groups that were once common beneficiaries of the progressive state.

The failures of Democratic liberalism pose a larger problem. With the decline of liberal hegemony, conservatism has gained control over national elections and, to a significant degree, over the national agenda. No matter what its claims, conservatism has served for much of the twentieth century as the political and philosophical arm of the affluent. Entrusting the economic interests of the poor and the working class to such a philosophy risks serious damage to both groups.

That conservatism represents the interests of the well-to-do is to be expected—and even respected—as part of the system of representation in American democracy. A far more threatening development is that as liberalism fails to provide effective challenge, the country will lack the dynamism that only a sustained and vibrant insurgency of those on the lower rungs can provide. Such an insurgency, legitimately claiming for its supporters an equal opportunity to participate and to compete and to gain a measure of justice, is critical, not only to the politics and the economics of the nation but also to the vitality of the broader culture and to democracy itself.

Over the past twenty-five years liberalism has avoided confronting, and learning from, the experience of voter rejection, as institutional power and a sequence of extraneous events—ranging from Watergate to the 1981–1982 recession—have worked to prop up the national Democratic Party. For the current cycle to reach closure, and for there to be a breakthrough in stagnant partisan competition, the Democratic Party may have either to suffer a full-scale domestic defeat, including (to deal in the extremes of possibility) loss of control of the Senate and the House, or at the very least to go through the kind of nadir—intraparty conflict, challenge to ideological orthodoxy, in short, a form of civil war—experienced by the Republican Party and the right in the 1960s. The original strength of Democratic liberalism was its capacity to build majorities out of minorities—a strength that comes only from a real understanding of what it means to be out of power, from direct engagement in the struggle to build a majority, and from an understanding of what is worth fighting for in this struggle. Recapturing the ability to build a winning alliance requires learning the full meaning of defeat, and developing a conscious awareness of precisely what the electorate will support politically, what it will not, and when—if ever—something more important is at stake. □

Curdled Politics on Campus



Tenured radicals are trying to turn campuses into authoritarian ministates

A familiar jest—that some liberals do not care what anyone does, so long as it is compulsory—must be revised in light of goings-on on campuses. Today's newfangled liberals, the enforcers of political correctness, care minutely about what people do and say and think. They resort promiscuously to intimidation and coercion. But their curdled liberalism is not just a political agenda. It also is a program for the personal pleasure of bossing people around.

In his recent defense of free speech on campuses, Benno Schmidt, Yale's president, underestimated the threat to academic values. His reflex is to analyze the problem in familiar First Amendment terms, invoking the well-established right of "offensive" and "obnoxious" speech to protection. But speech truly offensive by reasonable community standards (more about which in a moment) is rarely the focus of today's zealous regulators of campus thought.

These tenured radicals, often 1960s retreats, are inverting a 1960s demand. Then students demanded that universities loosen restrictions. Today's radicalism-from-above uses administrative power to impose an improved "consciousness" on students. It uses various instruments of indoctrination, from mandatory instruction in officially approved thinking (about race, gender, sexual preference) to codes of permissible speech. This is done in the name of "sensitivity" to the needs of "diversity." That code word is the umbrella under which radicals cluster to advocate academic spoils systems—racial, ethnic, sexual—and politicized curriculums.

Universities, Schmidt notes, have become "saturated with politics." Radicals are exploiting "a style of academic leadership that tends to be highly risk-averse, queasy about defending academic values, and inclined to negotiate and propitiate about almost anything." But such appeasement is bred by assertions, like Schmidt's, that the "use of university authority to suppress freedom" is "typically" the result of "the best of intentions." A pernicious agenda is not made less so by its adherents intending that it do good. Schmidt underestimates the plain meanness behind the pleasure people take in bullying. And why take the bullies' word for it that their intentions—which are, after all, to force people to toe their political line—are "the best"? Would Schmidt say those intentions, which involve breaking universities to a political saddle, are "typically"

the best if they were not invariably voiced by the left?

When a Harvard dean denounced dining-hall employees for having a back-to-the-'50s party (it is incorrect to feel nostalgic about a decade marred by segregation), no obnoxious speech was at issue. It was just another instance of the new liberal's delight in lording it over his supposed moral inferiors. A Harvard professor was forced to cancel a screening of a film because it included a black maid, a crime against "sensitivity." This was the result of a new entitlement, the right to be hypersensitive and to hector and harass and punish people who do or say or show any sign of thinking anything that offends anybody in an officially approved racial or ethnic or sexual category.

When a University of California administrator wants to stamp out such familiar phrases as "a chink in his armor" or "a nip in the air" (get it? "chink" and "nip" can be offensive in other contexts) he is concocting an "injury" to justify wielding power over others. When a university prohibits "inappropriately directed laughter" and "conspicuous exclusion [of others] from conversations," derisive laughter is an appropriate response. But at bottom none of this is funny. It flows from the tyrant's impulse to extinguish privacy.

Close connection: There is, you see, a close connection between today's curriculum wars and the lengthening lists of impermissible thoughts, between the assault on "Eurocentrism" and the assault on free speech. These are related battles in a single war, a war of aggression against the Western political tradition and the ideas that animate it. The aggressors, having been trounced in the real-world politics of the larger society, are attempting to make campuses into ministates that do what the Western tradition inhibits real states from doing: imposing orthodoxies.

Donald Kagan, dean of Yale College, defends the essential soundness of the traditional curriculum and canon by noting that Western culture, more than any other, "has asserted the claims of the individual against those of the state, limiting its power and creating a realm of privacy into which it cannot penetrate." Such penetration at the expense of individual freedom and privacy is the aim of today's academic constabulary as it patrols campuses, pouncing on speech, films, teaching material, even parties that deviate from approved ideology or offend the sensitivities of officially designated victims of Western civilization. This is petty politics drained of normal political content and refilled with a gas of moral vanity.

By semantic sleight of hand the aging campus left has packed its political agenda into the word "community," thereby giving that agenda artificial momentum for respect. Professing "the best of intentions," radicals say coercion is justified to infuse "community values" into what they consider a campus climate of the wrong kind of diversity. But such radicals deny the right of all nonacademic communities—local, state, national—to defend community values by circumscribing individual rights (such as the rights to have abortions, burn flags, sell pornography).

Where did we get the ruinous notion that it is the business, even the bounden duty, of schools to produce sweet-tempered neighbors and politically admirable citizens? There is a connection between the rise of that notion—schools as society's perfecters—and the decline of schools as producers of graduates who think precisely, write clearly, read complex material and bring historical understanding to today's conditions. Nice neighbors and virtuous citizens are grand, but first things first, please.

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THE WHITE HOUSE
WASHINGTON

Date _____

TO: *TONY SUM*

FROM: JACK HOWARD
Special Assistant to the President
for Legislative Affairs

STRIKED OUT MATERIAL. ANYTHING ~~AND~~
SKIPPING THAT THIS BILL NEEDS TO BE
STRIPPED WOULD BE GREATER. THE TOUGHER THE
BETTER.

The Executive Memorandum

The Heritage Foundation

214 Massachusetts Avenue N.E. Washington, D.C. 20002-4999 (202) 546-4400

3/12/91 Number 298

HOW THE ANTI-STRIKER REPLACEMENT BILL WOULD HURT AMERICAN WORKERS

Under pressure from the leaders of organized labor, Congress is considering legislation that purports to help American workers. In fact, however, it will increase the power of union chiefs while harming rank and file workers and hindering future job creation. The "Anti-Striker Replacement Act" or "Strike Bill" (H.R. 5 and S. 55), introduced in the House by Representative William Clay, the Missouri Democrat, and in the Senate by Howard Metzenbaum, the Ohio Democrat, would guarantee workers that they cannot lose their jobs during a strike and, in effect, would prohibit employers from hiring permanent replacement workers during a strike.

This bill would increase greatly the incentive for unions to strike rather than negotiate and hence would make strikes — now at their lowest level since 1935 — much more common. The result: American output and production would be interrupted just when the economy has been weakened by recession. Employers would find it difficult to obtain replacement workers during a strike. And by shifting the balance decisively in favor of unions, the legislation would slow new job creation.

Balanced Current Law. Current law seeks to achieve a balance between the interests of labor and management during labor negotiations, without favoring one side over the other. Workers are free to strike to obtain higher wages or better working conditions. Employers are free to hire replacement workers and to continue operations during a strike. Sometimes employers use temporary replacements. But if skilled and experienced replacements are not available locally, an employer may recruit workers from other parts of the country. Such workers understandably are reluctant to move for a job that may only last for a few days or weeks. Employers therefore sometimes agree to hire the replacements on a permanent basis, so that the replacement workers know they will retain their jobs after a strike ends. Current law also requires employers, however, to give returning strikers a preference for filling vacancies as positions become available. But employers are not required to discharge replacement workers to give strikers back their old jobs. The Clay-Metzenbaum Strike Bill would guarantee striking workers their old jobs.

The Strike Bill thus would encourage workers to strike by taking considerable risk out of striking. Workers would lose pay during the strike, but would not risk losing their jobs. The inevitable result would be more strikes, an outcome directly at odds with the current law's emphasis on encouraging negotiations and conciliation. Moreover, by prohibiting employers from offering permanent positions to replacement workers, the bill would make it difficult if not impossible for many employers to keep their businesses operating during a strike. These employers then would be at the mercy of unions and in many instances would be forced to concede to whatever the strikers demand, no matter how unreasonable. The

delicate balance of federal labor law thus would tip decisively toward labor and against management.

Hurting American Competitiveness. If the Strike Bill becomes law, employing workers in America will be riskier and more expensive for employers. This in turn will discourage companies from building new plants. And many operations no doubt would move to countries with more reasonable labor laws. This will mean fewer job opportunities available to Americans.

The Strike Bill is worded broadly, and would establish an absolute right to job reinstatement. Thus it would appear to guarantee an employee's right to reinstatement even when a strike was illegal, or when it violated a "no strike" clause in the employee's contract. Even if a strike is particularly violent, and some workers are found guilty of assault or destruction of property, the employer who is the victim of such crimes could be required to reinstate the workers involved.

The bill applies to non-union as well as union shops. Indeed, if any two or more workers walk off a job to protest the terms or conditions of employment, they would count as strikers and be entitled to reinstatement in their former positions whenever they decided to return to work. It would not matter how long they were "on strike" or how unreasonable their protest might be. In those European countries with similar laws, strikes over trivial matters are common. Not surprisingly, the number of days lost through strikes is very high in such countries. In Italy, for example, over 1,400 work days are lost per year per 1,000 workers, compared to fewer than 100 in the U.S.

The Strike Bill would penalize workers who continue working during a strike, by prohibiting employers from promoting these workers to positions left vacant by strikers or from counting time worked during a strike toward their seniority. Unions, however, still would be allowed to fine members who refused to participate in a strike. Moreover, current laws exempt unions from anti-violence and anti-extortion statutes, so they have more license to engage in criminal acts against those workers who do not join a strike. Thus workers would have little to gain and much to lose by continuing to work during a strike.

Protecting Big Labor's Power. The purpose of the Strike Bill appears to be to protect and enhance the power of labor union leaders at the expense of businesses, non-union employees, and even union members who oppose particular strikes. Union workers currently account for only 12 percent of America's work force. Metzenbaum revealed the true purpose of his bill when he last year told an American Federation of Labor-Congress of Industrial Organization (AFL-CIO) legislative conference: "If we don't pass this bill, the labor movement will shrink, and shrink, and shrink, and you won't be the formidable force that you have been."

This is hardly a legitimate reason for a new U.S. labor law that would tip the scales decisively in favor of union leaders. A balance in the law governing industrial disputes, with the government siding with neither employers, unions, nor non-union workers is the best way to guarantee American competitiveness, new job opportunities, and equality before the law. The Strike Bill would undermine this balance, and with it American prosperity.

William G. Laffer III
McKenna Fellow in Regulatory
and Business Affairs

288-3672

FACT SHEET

January 11, 1991
91-6

S. 55/H.R. 5—THE STRIKE BILL

Congress is currently considering S. 55/H.R. 5 giving unprecedented new powers to organized labor and expanding its ability to strike employers. The bill would prohibit companies from continuing operations during strikes over economic issues by hiring replacements who keep their jobs at the end of the strike.

PRESENT LAW — The 1935 National Labor Relations Act recognizes two kinds of strikes—unfair labor practice and economic. The Act bars employers from hiring replacements if the strike is over the employer's unfair labor practices (e.g., the company's refusal to bargain). The Act does, however, permit companies to hire replacements if the strike is over purely economic issues (e.g., hourly wage rates).

THE BILL — S. 55/H.R. 5 bans replacement of *both* unfair labor practice and economic strikers. It reverses the U.S. Supreme Court's 1938 decision in *NLRB v. Mackay Radio & Tel. Co.* which ruled that replacement of economic strikers was lawful. *Mackay* has been a fixture of American industrial relations since the establishment of our federal collective bargaining laws. When Congress wants to reverse a Supreme Court ruling, it usually doesn't wait 50 years to introduce the bill. S. 55/H.R. 5 is the Rip Van Winkle of modern labor legislation.

PRECEDENT RATIFIED BY PREVIOUS CONGRESSES — Since 1938, reversal of *Mackay* was never an issue until 1990. Congress has considered three major overhauls of the 1935 National Labor Relations Act—the 1947 Taft-Hartley Act, the 1959 Landrum-Griffin Act and the 1978 Carter labor law reform bill. At no time during each of those debates were *Mackay* replacements even raised as a problem needing correction. In fact, *Mackay* was expressly incorporated into the statutory scheme by Taft-Hartley and Landrum-Griffin.

ENCOURAGES STRIKES — The purpose of the labor laws is to encourage industrial peace; strike activity is at its lowest level since 1935. By making the strike weapon far more powerful than under current law, the bill would only stimulate strikes. It even gives new protections to strikes in non-union settings where no collective bargaining activity exists. Further, the bill would apply to strikes over any issue involving "working conditions," including even relatively trivial matters such as turkeys at Thanksgiving or the price of coffee in the cafeteria (both actual cases). It is telling that the proponents characterize the strike as "the heart, the soul, the essence of collective bargaining."

STIMULATES VIOLENCE — Unions have historically wielded the strike weapon with a violent hand, particularly when an employer attempts to continue operations (with or without replacements) during a strike. Under current law, it is very difficult to hold union officials liable for violent acts, even if they serve the union's goals. A proliferation of strikes can only mean a proliferation of violence.

THREATENS PUBLIC HEALTH & SAFETY — The bill will enable unions to completely shut down business operations and even entire industries. In many cases (for example, where operations are continuous such as hospitals, nursing homes, nuclear power plants, and petroleum refining facilities), a ban on *Mackay* replacements creates a serious threat to public health and safety.

INJURES NON-STRIKING EMPLOYEES — Often a strike by one unit within a plant results in the shutdown of the entire plant, thus threatening the economic well-being of the non-striking employees in that plant and others in the company. Further, when those employees try to keep operations going by crossing picket lines, they are more often than not subjected to verbal abuse, threats and violence.

EXPANDS UNION POWER — By removing all risk of its use, there will be no restraints on wielding the strike weapon. Historically, unions have relied on solidarity among their members and the workforce at large to win strikes. When unions were thriving, this solidarity was easy to achieve, particularly when unions controlled entire industries. With labor's representation of the workforce down to 12% of the private sector workforce, the unions now call for a legislative substitute for solidarity.

STRIKE REPLACEMENT A LAST RESORT — Contrary to proponents' claims, most employers are extremely reluctant to replace strikers and do so only as a last resort. Experience at Eastern, Greyhound and the New York Daily News illustrates the potential harm to the business enterprise in using *Mackay* replacements. Also, the employer runs the risk of having the strike declared an unfair labor practice strike and having to pay twice for the same work. The recent strike at Colt cost the company at least \$22 million—\$12 million in back pay and interest to the replaced strikers, and \$10 million in wages to the new hires. Further, in today's hi-tech world, it is often very difficult to find a large number of qualified individuals on short notice. Few employers would risk running a complicated operation without adequately trained workers. That's why GAO data commissioned by the proponents show that replacement is infrequent—at most 3 out of every 20 strikes in recent years.

RIGHT TO STRIKE/RIGHT TO OPERATE — Employers who replace strikers don't do so to "bust unions"—an act expressly prohibited by current law. They do so to maintain operations during a strike in order to avoid serious economic injury to the company and those employees not on strike. Because the law recognizes a union's right to strike, the law protects against the excessive use of that right by also recognizing a company's right to operate during the strike. S. 55/H.R. 5 would eliminate these restraints.



House Republican Policy Committee

LHOB 1616, Washington, D.C. 20515, (202) 225-6168

Vicki L. Martyak
Executive Director

Policy Statement Opposing H.R. 5: Permanent Replacement Workers

Adopted March 21, 1991

Mickey Edwards (OK)
Chairman

House Republicans recognize the existing legal right of workers to strike. Current law also recognizes this right and guarantees immediate reinstatement and back pay at the end of a strike which was found to be the result of unfair labor practices.

In contrast to this, H.R. 5 seeks to reverse the recognized right of employers to permanently replace workers participating in a strike of a strictly economic nature. This right of employers was established over five decades ago in order to maintain a balance between employee and employer in labor disputes. The Supreme Court has protected this balance on numerous occasions and requires that replacement workers are members of the striking bargaining unit, thus insuring that an employer cannot replace union with nonunion workers.

While House Republicans recognize the rights of all workers, we at the same time also recognize the rights of the employer. We commit ourselves to maintaining a balance in labor-management policy.

House Republicans therefore oppose H.R. 5 as an attempt to tilt the balance in labor relations and as an intrusion into the American workplace.

Bob Michel (IL)
Newt Gingrich (GA)
Jerry Lewis (CA)
Duncan Hunter (CA)
Bill McCollum (FL)
Vin Weber (MN)
Guy Vander Jagt (MI)
Bill Archer (TX)
Joe McDade (PA)
Bill Gradison (OH)
Gerald Solomon (NY)
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Denny Hastert (IL)
Jan Meyers (KS)
Jim McCrery (LA)
Jay Rhodes (AZ)
Ileana Ros-Lehtinen (FL)
Craig Thomas (WY)

STATEMENT OF LYNN MARTIN
SECRETARY OF LABOR
BEFORE THE LABOR-MANAGEMENT RELATIONS SUBCOMMITTEE
COMMITTEE ON EDUCATION AND LABOR
U.S. HOUSE OF REPRESENTATIVES

March 6, 1991

Mr. Chairman and Members of the Subcommittee:

Thank you for the opportunity to present the position of the Administration on H.R. 5. This bill would amend both the National Labor Relations Act and the Railway Labor Act to prohibit employers from utilizing permanent replacement employees during a labor dispute.

The Administration opposes H.R. 5, and if the bill were presented to the President, his senior advisers would recommend a veto. This legislation would override fifty years of law and experience in private sector collective bargaining. This process, though not painless, has served the public interest well, and has contributed to the economic well-being of this country by reducing labor strife and encouraging dispute settlement.

INTRODUCTION

One of the Administration's primary objectives is to further America's productive and competitive capacities in the face of

stiff competition in global markets, increasingly sophisticated technologies, and shifts in workforce composition. Modern labor management relations exists in an environment where the parties have the ability to resort to a mix of cooperation and confrontation in testing each other's bargaining positions and resolve. The NLRA and RLA reflect this balance. They provide a dynamic framework which is flexible enough to govern cooperative dispute resolutions as well as the parties' use of confrontational economic weapons such as strikes. If enacted, H.R. 5 would eliminate a major check on precipitous striking, promote increased labor unrest, and disrupt the flow of commerce.

Indeed, the evidence demonstrates that our nation's labor laws and policies have been effective. Over the past decade, work stoppages have declined sharply, and the United States has been a leader in the creation of new jobs. While there is a dearth of hard data on the issue of permanent replacement workers, that which does exist supports the Administration's position on this legislation. Recently, the United States General Accounting Office collected data on strikes reported to the Federal Mediation and Conciliation Service for the years 1985 and 1989. The GAO data shows that employers hired replacements in only 17 percent of the GAO-surveyed strikes. GAO notes that about one-half of the employers who announced they would hire permanent replacements actually did so. More significantly, a very small percentage of striking workers are affected by

employers' ability to hire permanent replacements. GAO posits that only 4 percent of all striking employees were permanently replaced in 1985 and 1989. Finally, while the GAO presents no data, we know that some permanently replaced strikers ultimately are reinstated because of preferential rehire rights, or in accordance with the terms of a strike settlement agreement.

DISCUSSION

Mr. Chairman, I would like to discuss in more detail our concern that H.R. 5 would destroy the balance in the collective bargaining system. Since the passage of the National Labor Relations Act in 1935, and in accordance with the guiding principle of industrial democracy, organized labor and employers have developed sophisticated economic weapons in pursuit of bargaining demands. Generally, if the economic weapons utilized by the bargaining parties do not threaten the bargaining process or a union's representational status, federal courts, mindful of the principle of industrial self-government, have been loath to interfere, and have so counseled the National Labor Relations Board.

In contrast, H.R. 5 would make sweeping changes to the process. The balance in collective bargaining is promoted by the threat to use economic weapons, because actual usage often bears

too great a cost to workers, employers, and to the public. A meaningful strike threat may force an employer to make concessions. On the other hand, the threat of replacement serves as a deterrent to striking and may result in concessions by a union. Mr. Chairman, we are concerned that if the right to permanently replace economic strikers were prohibited, there would be little incentive for unions to moderate the use of the strike weapon. Assessment of the risks of a strike compared to potential gains certainly would be skewed in favor of the strike, even where gains would be minimal. The balance, as it exists today, has proven to be well-placed and in the public interest. It furthers the objective of the NLRA and RLA, which is to promote labor peace by encouraging voluntary agreements governing relations between unions and employers.

The impact of H.R. 5 would fall particularly hard on small and struggling businesses many of which lack the resources to withstand a production shutdown. If H.R. 5 were enacted, some large companies could continue to produce using temporary replacements such as supervisory personnel, or temporary hires with requisite skills. On the other hand, firms facing a tight labor market requiring highly skilled workers, located in remote areas, or operating in a geographic location where local sentiment would discourage the use of temporary replacements, will face the choice of acceding to union demands or shutting down.

The use of economic weapons to press bargaining demands must be seen in the context of industrial democracy in the United States. Strikes and permanent replacement workers are not the only weapons in the arsenal of organized labor and management. Nonetheless, the strike remains labor's most potent weapon, and management's ability to continue operations is the only viable response to that weapon. Alteration of one side of this equation would eliminate more than fifty years of experience, and upset or destroy the delicate balance of collective bargaining.

Mr. Chairman, it is also important to note that a company's use of permanent replacements presently is limited under law. Most significantly, workers who strike to protest employer unfair labor practices are entitled to reinstatement, often with back pay, even if permanent replacements must be terminated. For example, a four-year strike by some 1,000 members of the United Auto Workers against a division of Colt Industries settled in March of 1990 following a National Labor Relations Board Administrative Law Judge's determination that the strike was caused by employer unfair labor practices resulted in a reinstatement order and an award of ten million dollars in back pay. This experience demonstrates that utilization of permanent replacements for strikers may entail great risks for a company. Similarly, an employer who offers additional seniority to workers as an inducement to cross a picket line commits an unfair labor

practice. In fact, the term "permanent replacement" is a misnomer. Economic strikers who unconditionally apply for reinstatement remain statutory employees with preferential reinstatement rights unless they have in the meantime acquired regular and substantially equivalent employment, or the employer can prove that the failure to offer full reinstatement was for legitimate and substantial business reasons.

In sum, the rules that govern the collective bargaining process have permitted that process to function as designed while providing adequate protection to all parties.

CONCLUSION

Mr. Chairman, there have been strikes in which deleterious behavior by some who support the union has brought voices crying for punishment for all. Similarly, there have been times a particular business or employer will act in a way which brings support from no one. But that does not and should not mean we should change the rules which have served the majority of those representing either side in any labor or management dispute. The process has worked.

No data has been presented that would indicate that this nation's system of labor-management relations, balanced through fifty years of scrutiny, is in need of revision. Indeed the

evidence illustrates the value and continuing strength of our nation's labor policies.

For the reasons set forth above, the Administration opposes enactment of H.R. 5, and as I stated at the outset, if the bill were presented to the President, his senior advisors would recommend that he veto it.

**SUMMARY OF ADMINISTRATION'S REASONS
FOR OPPOSING S.55 AND H.R.5,
THE "STRIKER REPLACEMENT" LEGISLATION**

The Administration opposes S.55 and H.R.5, the "Striker Replacement" legislation. If the Congress passed such a bill, the President's senior advisors would recommend he veto it.

If enacted, S.55 and H.R.5 would destroy a central component of the economic balance in private sector collective bargaining established over fifty years ago. The union's potent right to strike is counterbalanced by the employer's equally lawful right to continue its operations with replacement employees.

That balance provides the strongest possible inducement for both groups to negotiate and compromise their differences. In 1980, there were 187 major work stoppages (strikes and lockouts involving 1,000 or more workers). The number declined to under 100 in 1982, a record low of 40 was hit in 1988, and last year, there were only 44 major work stoppages.

By insulating employees from the traditional risks that have checked precipitous strikes, the law would promote labor unrest, cause disruption in the flow of commerce, expose our economy to anti-competitive effects of inflationary collective bargaining agreements, and inflict injury on innocent non-striking workers, customers, suppliers, and consumers.

If the right to permanently replace economic strikers were prohibited as S.55 and H.R.5 propose, there would be little incentive for unions to moderate the use of the strike weapon. Small and struggling businesses, firms in tight labor markets requiring skilled workers, and those located in remote areas would be hit particularly hard.

No factual, reliable case has been made for such a fundamental change in our nation's labor policy. A 1991 General Accounting Office report, prepared at the request of the legislation's principal sponsors, found that in 1985, only 4 percent of striking employees were replaced by MacKay replacements. This decreased to just 3 percent in 1989. At the same time, the report found that this practice occurs in only 17 percent of all strikes.

There are limits on the use of "permanent" replacements that protect employees from illegal or irresponsible employer bargaining tactics. No striker can be fired for lawfully exercising their right to strike. If the strike is a so-called unfair labor practice strike, i.e. caused by an employer's illegal conduct such as a refusal to bargain in good faith, the law provides for reinstatement, often with backpay, even if "permanent" replacements must be let go. Moreover, in strikes over economic terms, strikers, generally retain the right to reinstatement as vacancies occur, do not lose accrued seniority, and for one year can vote in union representation elections.