

Double Consciousness in Black America

by John H. McWhorter

In *The Souls of Black Folk* in 1903, W. E. B. DuBois famously described black Americans as possessing what he called a double consciousness, caught between a self-conception as an American and as a person of African descent. As DuBois put it, “The Negro ever feels his two-ness—an American, a Negro; two souls, two thoughts, two unreconciled strivings . . . two warring ideals in one dark body, whose dogged strength alone keeps it from being torn asunder.”

As they so often do, DuBois’s teachings apply as well to black Americans over a century later. In that vein, the double consciousness he referred to is often claimed to describe modern black Americans, but with an implication that this is because of whites’ resistance to blacks’ true inclusion in the American fabric.

But analysts who make such claims resist acknowledging that race relations in America have undergone seismic changes since 1903. DuBois’s conception remains relevant, but only in a reflex evolved from the one that he described.

Black America today is permeated by a new double consciousness. A tacit sense reigns among a great many black Americans today that the “authentic” black person stresses personal initiative and strength in private but dutifully takes on the mantle of victimhood in public.

For many people, the private orienta-

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Rep. Pat Toomey (R-Pa.) and Senator-elect John Sununu (R-N.H.) discuss the role of Social Security in the 2002 election at a Cato Hill Briefing on December 4. Both stressed that their advocacy of private accounts had helped their campaigns. See page 8.

tion toward personal empowerment will sound unfamiliar—naturally, because most of us experience black discourse only from the outside and hear a discourse in which victimhood is enshrined at all costs. Thus in the last presidential election, all but a sliver of blacks voted for the presidential candidate committed to treating blacks as victims. When Harvard’s president, Lawrence Summers, asked Cornel West why he had not written an academic book in 10 years, West called him “the Ariel Sharon of higher education” and left the school for Princeton, claiming that the Harvard establishment was afraid that “the Negroes are taking over.” When Michael Jackson’s fading popularity depresses sales of his new recordings, he calls his producer racist. And so on.

But that is only one part of the true story about black Americans in our moment. Many of these high-profile events are really more a kind of theatre than anything else.

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A Case for Divided Government



For those of you with a partisan bent, I have some bad news: Our federal government may work better (less badly) when at least one house of Congress is controlled by a party other than the party of the president. The general reason for this is that each party has the opportunity to block the most divisive measures proposed by the other party. Other conditions, of course, also affect political outcomes, but the following types of evidence for this hypothesis are too important to ignore:

1. The rate of growth of real (inflation-adjusted) federal spending is usually lower with divided government.

The table presents the annual percentage increase in real federal spending by administration, in each case with the percentage increase in the first year of a new administration attributed to fiscal decisions made in the prior administration.

Administration	Years	Divided/United	Annual % Increase
Eisenhower	8	D	0.4
Kennedy/Johnson	8	U	4.8
Nixon/Ford	8	D	2.5
Carter	4	U	3.7
Reagan	8	D	3.3
Bush	4	D	3.4
Clinton	8	D	0.9

The only two long periods of fiscal restraint were the Eisenhower administration and the Clinton administration, during both of which the opposition party controlled Congress. Conversely, the only long period of unusual fiscal expansion was the Kennedy/Johnson administration, which brought us both the Great Society and the Vietnam War with the support of the same party in Congress.

The annual increase in real federal spending during the current Bush administration, by the way, is 4.3 percent, not a happy state of affairs, given the prospect of a war and a renewed majority of the president's party in both houses of Congress.

2. The probability that a major reform will last is usually higher with a divided government, because the necessity of bipartisan support is more likely to protect the reform against a subsequent change in the majority party.

The Reagan tax laws of 1981 and 1986, for example, were both approved by a House of Representatives controlled by the Democrats and have largely survived. The major potential reforms of agriculture, telecommunications, and welfare in 1996 were approved by Clinton and a Republican Congress, although only the welfare reform has survived subsequent legislative and regulatory changes. The primary exception to this pattern, of course,

is the Great Society. My judgment, however, is that the prospect for a major reform of the federal tax code, Medicare, or Social Security will be dependent on more bipartisan support than now seems likely in a united Republican government.

3. The prospect of a major war is usually higher with a united government.

Each of the four major American wars in the 20th century, for example, was initiated by a Democratic president with the approval of a Congress controlled by Democrats. At the time I write these words, the prospective war in Iraq would be the first military conflict lasting more than a few days to be initiated by a Republican president in over a century, again, consistent with this pattern, with the support of a Congress controlled by the president's party.

American voters, in their unarticulated collective wisdom, have voted for a divided federal government for most of the past 50 years. Divided government is not the stuff of which legends are made, but the separation of powers is probably a better protection of our liberties when the presidency and the Congress are controlled by different parties.

—William A. Niskanen

Cato's Letter

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New chapters on terrorism, civil liberties, and corporate malfeasance

Cato Releases 2003 Handbook for Congress

America faces problems and challenges largely undreamt of two years ago, and the 108th Congress edition of the *Cato Handbook for Congress*, the Cato Institute's biennial compendium of policy analysis and recommendations, has been extensively revised and updated to reflect sobering new realities.

The introduction by Cato's president Ed Crane and executive vice president David Boaz surveys the new political landscape and argues that rumors of the death of libertarianism have been greatly exaggerated. Neither the war on terrorism nor the spate of corporate scandals that have emerged over the past two years, they argue, provides evidence that sweeping new federal powers are needed.

Four new chapters on America's proper response to terrorism recommend "clearing the decks" for the fight against al-Qaeda by transferring foreign aid funds to the war on terrorism, demobilizing surplus forces, and withdrawing troops from areas not of vital interest. The *Handbook* emphasizes,



however, that the relevant war is only against al-Qaeda, not other countries or groups with no connection to the September 11, 2001, attacks on America. In particular, Cato scholars urge the administration to reduce military operations in Afghanistan

and expand them into Pakistan's Peshawar border region, where al-Qaeda and Taliban forces are thought to have fled.

Analyses of U.S. relations with Saudi Arabia, India, and Pakistan have been added to an expanded section on defense and foreign policy, which also outlines strategies for exiting from unwise military commitments in the Balkans and East Asia.

On the domestic front, the *Handbook* examines new threats to civil liberties posed by the USA PATRIOT Act, the Bush administration's apparent willingness to detain

persons designated "enemy combatants" without regard for the Constitution's guarantees of due process and access to counsel, and proposals to establish military tribunals and a national ID card. Revelations of widespread corporate malfeasance prompted the inclusion in the new *Handbook* of a chapter suggesting that biases in the tax code and skewed rules of corporate governance, not accounting practices, should be the focus of legislative attention.

Not everything about the *Handbook* has changed, of course: it remains, as the *Washington Post* once described it, a "soup-to-nuts agenda to reduce spending, kill programs, terminate whole agencies and dramatically restrict the power of the federal government."

Copies of the *Handbook* were released to congressional staffers on January 14 and 15 at receptions held in the Dirksen Senate Office Building and the Rayburn House Office Building.

The full text of the *Cato Handbook for Congress* can be read online at www.cato.org. Hard copies can also be purchased (\$20.00 paper) there or by telephone at 1-800-767-1241.

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Capitol Hill Briefings on Social Security, taxes, health care, Total Information Awareness

Heated Debate at Cato over D.C. Schools

◆ **December 4:** Conventional wisdom had it that Social Security was the “third rail of American politics,” political suicide to touch. That idea was decisively trashed in the midterm elections, which saw candidates who made no bones about their commitment to reforming the moribund system triumph in race after race. Two such victorious candidates, Rep. John Sununu (R-N.H.), who was elected to the Senate in November, and Rep. Pat Toomey (R-Pa.), reflected on this political sea change at the Cato Institute Hill Briefing “**The Third Rail Is Dead: Social Security and Election 2002.**” Opponents of reform, said Sununu, had underestimated voters, who grow less susceptible to scare tactics as the



Kenyan libertarian activist June Arunga discusses corruption and the recent presidential election at a Cato Roundtable Luncheon on January 15.

debate over Social Security grows more familiar. Toomey suggested that, as the details of reform plans and the instability of Social Security become increasingly clear, senior citizens who once worried that their benefits would be cut are beginning to worry that their grandchildren will be denied any return on years of payroll tax contributions to the system. Pollster David Winston closed the session with an examination of survey data, observing that, if a majority of seniors did come to support reform, popular approval of private accounts would approach 70 percent.

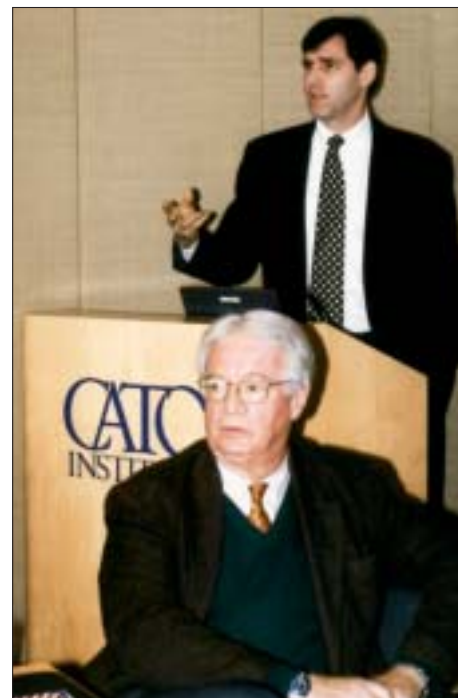
◆ **December 6:** David Burton, author of a recent Cato paper on tax policy, presented his indictment of the way tax law is made at a Cato Institute Hill Briefing, “**Reforming the Federal Tax Policy Process.**” Congress’s Joint Committee on Taxation and the Treasury’s Office of Tax Analysis operate, he said, under “secrecy that would make the Pentagon proud,” obscuring the faulty assumptions and misleading models at the heart of many tax policy recommendations. Cato’s director of fiscal policy studies Chris Edwards explained that certain statistics compiled by those agencies, such as income distribution estimates, have themselves become “huge political footballs.” Heritage Foundation analyst William Beach suggested that Congress begin the transition to saner policymaking by commissioning “advisory” reports that make use of more nuanced macroeconomic models.

◆ **December 10:** Public schools in Washington, D.C., are among the worst in the country. At a Policy Forum, “**The Need for Educational Freedom in the Nation’s Capital,**” Cato’s Casey Lartigue summarized the findings of his latest Policy Analysis, which detailed the extent of the public system’s failure and the prospects for improvement via choice-based reforms. Virginia Walden-Ford of the Black Alliance for Educational Options confirmed Lartigue’s bleak portrait and related parents’ frustrations with the public system. D.C. Board of Education president Peggy Cooper Cafritz angrily denounced Lartigue’s paper, characterizing it as a document filled with “slick lies,” though when pressed she declined to identify any factual errors.

◆ **December 11–12:** The Cato Institute held California editions of its “**Cato Policy Perspectives 2002**” city seminar in San Diego and Los Angeles. Both featured Doug Bandow on exporting cultural and economic freedom, Tom G. Palmer on limited government in times of crisis, and Dinesh D’Souza on the idea of a “clash of civilizations” between Islam and the West. The keynote address in San Diego was given by Michael L. Robertson, CEO of Lindows.com and founder of MP3.com. At the Los Ange-

les seminar, David Fleming, chairman of the Economic Alliance of the San Fernando Valley, looked back on the valley’s failed bid for independence (see the September–October 2002 issue of *Cato Policy Report*) and ahead to the future of political decentralization.

◆ **December 12:** If George Orwell had been asked to make his most paranoid fantasies concrete in the form of a fictional government agency, what might he have envisioned? Probably he would have given it a chilling euphemistic name, unprecedented powers of intrusion, and a broad mandate to collect information about all citizens. If he had been feeling particularly melodramatic, he might even have given it a logo suggesting delusions of omniscience, such as an eye-in-the-pyramid surveying the globe with the inscription “Knowledge Is Power.” In short, he might have designed something very much like the Pentagon’s Total Information Awareness project. At a Cato Institute Hill Briefing, “**Yellow Light on Total Information Awareness,**” Cato’s



Senior fellow and George Mason University law professor John Hasnas comments on adjunct scholar Tibor Machan’s latest book, *A Primer on Business Ethics*, at a January 10 luncheon for scholars.

Former Chilean finance minister Hernan Buchi offers a qualified endorsement of the U.S.-Chile free-trade agreement at a Policy Forum on January 13.



Lawrence Patrick III, president of the Black Alliance for Educational Options, and columnist Derooy Murdock take part in a strategy meeting on school choice for the District of Columbia hosted by Cato's Casey Lartigue on January 29.

Catherine Crier of Court TV talks about her new book, *The Case against Lawyers*, at a Book Forum on January 16.



Wayne Crews, Robert Levy, and Charles Peña examined some of the program's more worrisome aspects. While it remains to be seen, according to Levy, whether TIA's extensive information gathering will violate the Fourth Amendment, it is part of a pattern of intrusions the cumulative effect of which would almost certainly be to erode privacy. Crews considered the economic implications of TIA, noting that it would do little to mollify Internet consumers already wary of transmitting personal data online. With the costs of TIA established, Peña asked whether the program would at least add appreciably to the safety of Americans. He concluded that it would

not, because with the entire population as the sample, even an extremely accurate pattern-finding algorithm would flag many hundreds of innocent citizens for every genuine threat.

◆ **December 13:** Environmental policy in the United States has passed the point of diminishing returns; the Environmental Protection Agency's web of regulations grows thicker and more complex each year, with few appreciable benefits. Two experts at a Cato Hill Briefing delivered "**An Environmental Agenda for the 108th Congress**" that could help to untangle the web. Law professor Jonathan H. Adler of Case West-

ern Reserve University extolled the benefits of decentralization and local experimentation, arguing that localities were apt to have different priorities, and different preferences with respect to the tradeoff between environmental quality and economic growth, as well as a clearer sense of how to achieve those goals. Cato's director of natural resource studies Jerry Taylor said that greater accountability could be achieved if Congress were required to approve the regulations promulgated by agencies such as the EPA.

◆ **December 16:** Students seeking to pay for college have traditionally had to rely on some combination of government largesse and student loans, which has often meant taking on a potentially onerous debt burden upon graduation. At the Cato Policy Forum "**Investing in Human Capital: Private Financing of Higher Education**," Miguel Palacios, author of a Cato Policy Analysis on human capital contracts, explained this new method of paying for higher education and its advantages over traditional loans. Raza Khan of MyRichUncle.com and Roy Chapman of Human Capital Resources, both pioneers in this fledgling industry, gave insider accounts of how the process works. SUNY Buffalo education professor Bruce Johnstone provided an opposition voice, sketching several problems with the human capital model.

◆ **January 9:** Cato director of health policy studies Tom Miller and Jeff Lemieux, senior economist at the Progressive Policy Institute, sketched "**A New and Improved Health Policy Agenda for 2003**" at a Cato Institute Hill Briefing. Lemieux gave a list of "bad ideas" that included "universal Medicare," a single-payer system, and mandatory employer coverage, preferring the extension of tax credits under the Consolidated Omnibus Budget Reconciliation Act of 1986 to all unemployed persons. Miller outlined his principles for market-based health care reform, saying that the government should move from command-and-control solutions to care that is "decentralized, deregulated, depoliticized, diverse, and dynamic."

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Cato on the Hill: Susan Chamberlin, Cato's director of government affairs, introduces speakers at a Cato Hill Briefing; Dan Griswold, associate director of the Center for Trade Policy Studies, listens as Sen. Sam Brownback (R-Kans.) dis-

cusses free trade at the Capitol Hill release of Griswold's study on congressional voting records; William Beach of the Heritage Foundation and Cato's Chris Edwards discuss reforming the federal tax policy process at a Hill Briefing on December 6.

EVENTS *Continued from page 5*

◆ **January 10:** Philosopher Tibor Machan discussed his recent book, *A Primer on Business Ethics*, in which he attempts to develop an Aristotelian conception of commercial morality, at a Roundtable Luncheon. George Mason University law professor John Hasnas provided commentary and critique.

◆ **January 13:** Assistant U.S. Trade Representative for the Americas Regina Vargo was enthusiastic in her praise of a recent trade agreement between the United States and Chile at the Cato Policy Forum "Free Trade with Chile: Understanding What's at Stake." The agreement, said Vargo, is notable for its comprehensiveness, its transparency, and its treatment of such modern problems as intellectual property rights. Chile's former minister of finance Hernán Büchi gave a more qualified endorsement and expressed hope that the agreement could serve as a model for other Latin American countries.

◆ **January 15:** Kenyan libertarian activist June Arunga spoke about the ways in which ordinary Kenyans have been coping with

pervasive state failure and corruption, insecure property rights, and the absence of the rule of law at a Cato Roundtable Luncheon. Arunga discussed plans to spread the ideas of civil society and free markets via the Inter-Region Economic Network, a new free-market think tank in Nairobi.

◆ **January 16:** It is not without reason that many people's favorite line from Shakespeare is found in Henry VI: "First thing we do, let's kill all the lawyers." The new book *The Case against Lawyers* by Judge Catherine Crier, host of Court TV's *Catherine Crier Live*, is filled with reminders of why. At a Cato Institute Book Forum, Crier illustrated the stifling proliferation of arcane and convoluted laws covering in detail every subject imaginable, often in ways that run directly counter to common sense. "We are now substituting so many rules and regulations for human judgments," said Crier, "that people are afraid to step out and actually use their minds to make a decision; they want to go to the rulebook and find out where it's written down."

◆ **January 17:** Property rights and environmental protection are typically presented as conflicting values, especially by environmentalists and the media. Yet at a Cato Institute Hill Briefing, "How to Protect Property Rights, the Environment, and the Constitution," Cato's vice president for legal affairs Roger Pilon made a case for harmony between the two. After summarizing a line of Fifth Amendment Takings Clause decisions that he characterized as incoherent and unprincipled, Pilon argued



At a December 10 Policy Forum, Casey Lartigue presents the findings of his study, "The Need for Educational Freedom in the Nation's Capital."

that property rights and environmental protection go hand in hand: pollution is a violation of property rights, on the one hand; on the other, environmental goods like viewsheds or wildlife habitat can be provided under the Takings Clause, but only if the public is willing to pay for those goods with just compensation, as the Constitution requires.

◆ **January 24:** According to the Bush administration, the possibility that Iraq may one day acquire nuclear weapons is too terrifying to countenance, while reports that North Korea's communist despot Kim Jong Il already has them are no cause for concern. Cato's vice president for defense and foreign policy studies Ted Galen Carpenter disagreed, calling the current situation a "crisis" at a Cato Institute Hill Briefing, which asked "What Should the United States Do about North and South Korea?" While preemptive attack would be, in Carpenter's words, "an insane option," the United States cannot accept a North Korean nuclear monopoly in the region. The best of a set of bad options, in Carpenter's view, is for the United States to ease its insistence on nonproliferation, contingent on North Korea's continued intransigence, and allow a regional balance of power to emerge. Senior fellow Doug Bandow discussed the history of the U.S.–South Korean alliance, arguing that absent an "anachronistic" military commitment to the South, this would be a problem for North Korea's neighbors rather than the United States.

◆ **January 29:** Kin-ming Liu, general manager of Hong Kong's best-selling newspaper *Apple Daily*, visited Cato for a luncheon at which he described how Hong Kong's civil liberties are being undermined by Beijing's rule. He explained Beijing's proposed anti-subversion laws for the city and the threat they pose to press, religious, and even business freedoms.

◆ **January 29:** Economic theorists are fascinated by the notion of market "lock-in," the idea that, especially in technology markets, once a program, service, or software format becomes the standard, consumers are locked in, because it's in nobody's inter-

A December 16 Policy Forum on human capital contracts featured Miguel Palacios (right), author of a Cato study on financing higher education. David Salisbury, director of Cato's Center for Educational Freedom, moderated.



Raza Khan of MyRichUncle.com discussed his company's experience with equity investments in higher education at the Forum on Miguel Palacios's paper.

Ed Crane, in Stockholm for the presentation of the Nobel Prize in economics to Cato adjunct scholar Vernon Smith, speaks at a reception at the Swedish think tank Timbro.



est to switch products unless everyone else does so as well. But at a Cato Institute Book Forum, "Internet Cents and Nonsense: Lessons from the Dot-Com Collapse and the Copyright Wars," economist and author Stan Liebowitz attacked lock-in as an overhyped theory lacking empirical confirmation. Citing examples from his book, *Rethinking the Network Economy*, Liebowitz suggested that entrepreneurs during the dot-com boom rushed half-baked products to market in the misguided hopes of exploiting a nonexistent lock-in effect. John Lott of the American Enterprise Institute and Tom Lenard of the Progress and Freedom Foundation largely agreed with Liebowitz's assessment in their commentary.

◆ **January 30:** Every two years, the Cato Institute examines the legislative records of members of Congress in order to track the positions of lawmakers on trade barriers and domestic subsidies, both of which distort international markets. Daniel Griswold, associate director of Cato's Center for Trade Policy Studies, brought the results of the most recent study to a Cato Institute Hill Briefing, where he answered the question "Who Are the Real Free Traders in Congress?" Two lawmakers at the top of the list, Sen. Sam Brownback (R-Kans.) and Rep. Tom Petri (R-Wis.), discussed their own strong commitment to free exchange and international competition. ■

The Third Rail Is Dead

On December 4, 2002, the Cato Institute held a Forum in the Dirksen Senate Office Building titled, “The Third Rail Is Dead: Social Security and Election 2002.” Along with Cato’s Michael Tanner and pollster David Winston, the speakers were Rep. John Sununu (R-N.H.), newly elected to the U.S. Senate, and Rep. Pat Toomey (R-Pa.), who had just won a difficult reelection campaign. Both candidates had made Social Security choice part of their campaigns. Excerpts from their remarks follow.

John Sununu: A key message in my campaign was the importance of reforming and strengthening Social Security, the importance of empowering workers to control a little bit more of what they earn every week, to control what they are paying in Social Security taxes, and to establish a personal retirement account in order to not just strengthen the program but to make for a stronger retirement security system for our children and grandchildren.

I am not here to talk about the nuts and bolts of legislation. I think Cato has done a great job in talking about different options and opportunities and some of the fundamental values of modernization and personal accounts. What I thought I would do is talk about the politics, talk about the message, at least as I tried to portray it in my campaign, and why I think this issue cuts in favor of those who supported individual accounts. I want to talk about why I think it will continue to resonate with voters, in 2004 or 2006 or until we get the job done.

So why was I successful? Why was Pat Toomey successful? Elizabeth Dole? Lindsey Graham? I am sure there were many others who were willing to talk about this issue in a direct way. Let me offer a couple of points that I think are fundamental, that everyone should understand in this day and age, but that, especially inside the Beltway, people either don’t understand or don’t care to admit.

First, voters are pretty smart, and I think they are getting smarter, especially when it comes to political advertising or political communication. They have seen the attack ads and the negative ads. In a lot of the midterm races, they saw more than ever before. When a candidate tries to evoke an emotional response to an issue like this using demagoguery or attack ads or scare tactics, it’s just not as effective as it used to be. That’s especially true for retirees, who have seen all the scare tactics on Medicare, all the scare tactics on Social Security. If you are putting out a substantive message rather than an emotional scare, you will fare better today than you would have 10 years ago or 15 or 20 years ago. I think



Sen. John Sununu: “Why was I successful? Why was Pat Toomey successful? Elizabeth Dole? Lindsey Graham? First, voters are pretty smart, and they are getting smarter.”

people would argue that the last time Social Security played effectively in a national campaign was in the mid-1980s, when a number of Republicans lost their seats because there was a big wave of attack ads and scare tactics about cutting Social Security benefits. But the electorate is smarter today than it has ever been before.

Second, voters actually care about issues. Social Security is an important issue, and any time you are out there talking about an issue that voters care about, if you are doing a good job, if you are speaking from the heart, if you are speaking from a set of

principles and personal beliefs, you are going to do pretty well. That’s not going to change, and I think that lays a pretty good foundation for people running for office if they want to take up this challenge.

Other reasons we were successful? Candidates who talked about Social Security modernization and personal accounts were offering a positive vision for the future. By contrast, what were my opponent and other Democrats saying? They were talking about what they were opposed to: “My opponent wants to cut Social Security benefits; I am opposed to personal accounts; let’s talk about the next issue.” That is not the kind of message, the tone, that voters want to hear in connection with any issue.

They want to hear what you are for, how you see the future unfolding, how you will be involved in shaping legislation, and whether you will be able to stand up and say that this is an important issue.

We see the trust fund being depleted over time; the problem is only going to get worse the longer we wait. Voters know that we need to do something about it, and we offered some ideas for doing something about it: let’s give the youngest workers the option of controlling a portion of what they earn and putting it into retirement accounts that give them a higher rate of return, that help increase personal savings, that empower the younger worker. We are going to have a system where we continue to have some guaranteed minimum benefit. We are going to protect the benefits of people who are retired today, but let’s strengthen the system for future generations. One, that is a message. Two, it is a positive message. It is a substantive message. Message beats no message every time, and a positive vision beats a negative one every time as well.

Another important distinction was that just by standing up there on an issue that, by and large, pundits and consultants in the past have said is a dangerous issue to talk about, we were providing leadership. Voters want someone who is willing to pro-

“Let’s give the youngest workers the option of controlling a portion of what they earn and putting it into retirement accounts that give them a higher rate of return.”

vide leadership on challenges that will face our country, our states, our cities and towns, today and in the future. And they look out there and they say, well, everyone says you shouldn’t be talking about Social Security, but Pat or John or Lindsey or Elizabeth is willing to. I believe that voters use that as a proxy for how you will lead on other issues. Voters understand that they will not agree with you 100 percent of the time on 100 percent of the issues. That is not possible. They are not stunned that you get up there and say, well, on Social Security I would do A, B, C, and D, and even if they don’t agree with D, they are not necessarily going to run off and vote for the other candidate.

When a candidate stands up to talk about a tough issue that voters care about, and talks about it substantively, the voters walk away and say, “If he or she is willing to provide leadership on a tough issue like Social Security, then I can count on him, and I can be pretty confident that when it comes to health care reform or simplifying the tax code or education reform that he is going to provide leadership on that issue as well.” And heck, if you are willing to step out there on Social Security, you are willing to step up on just about any issue that you think is important.

Voters want you to talk about a complicated issue, a complex issue like Social Security, and to be able to describe in fairly direct or personal terms, understandable terms, what the system really is. How does the trust fund balance increase and decrease over time? What does it mean when we start depleting the trust fund, when it goes to zero in 40 years? What are the options?

Now the challenge is to somehow translate that political success, that rhetorical success and the electoral success, into legislative success. And, in many ways, that is going to be at least as difficult as it has been to educate ourselves as candidates and to build on

the success of organizations like Cato and others that have tried to educate America.

I think the biggest reason for optimism, at least here in Washington right now, is that, at heart, the White House and the administration really do care about this issue. I think they are much more com-



Rep. Pat Toomey: “Those changes—creating a society where everybody is an investor and a capitalist and an owner—are enormously beneficial for our entire country, and most of all, for the people who today do not have the opportunity to accumulate savings and wealth.”

mitted to it than many people on Capitol Hill would like to believe.

One of the most revealing moments for me on this issue came in the campaign when I was talking to a group of about 500 seniors at an AARP forum. And, as you can imagine, it was mostly about Medicare, prescription drugs, and Social Security. My opponent talked about “cutting Social Security benefits” and “gambling it on the stock market,” and all the class warfare things we have all heard before. When it was my turn to rebut I said, well, how many people out here have children? Their hands all went up. How many people have grandchildren? All the hands went up. How many people do not care about their children and their grandchildren’s retirement security? All the hands went down.

When you put it in those terms, it really strips all the trimmings off the class war-

fare arguments, and it makes people understand that this is not about any benefit that would accrue to me as an elected official, as a senator or a member of the House.

The only reason you would ever stand up in public and talk about this issue is because you actually care about having a system in place, a retirement security system of some sort, that will serve our children and grandchildren as well as the one that has served our parents and grandparents. There is no other reason to do it.

Asking that simple question of those in the audience—whether they are old or young—I think hits home. This is about doing the right thing from a public policy perspective, doing our job as legislators, and, in the end, having a system that really serves the country far better than we could imagine.

Pat Toomey: In my campaign, Social Security reform was the centerpiece of a set of ideas. The campaign was all about promoting personal and economic freedom and

the opportunity and prosperity that come with freedom. The opposition was characterized by an absence of ideas, really, and I think a sort of liberal paralysis that results from the left’s natural aversion to economic freedom and freedom in general.

Mine is a Democratic-leaning district and it is an older district. Demographically Pennsylvania is the second oldest state in the country, behind only Florida, and my district is older than the average in Pennsylvania. That gives you an idea of my district. It does have a significant Democratic voting registration advantage, a Democratic voting propensity. Al Gore carried my district. My predecessor was a Democrat.

The two big issues in the campaign were really reflections of the divergent sorts of political philosophies of the candidates. It was about economic security, the economy

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“In my campaign, Social Security reform was the centerpiece of a set of ideas about promoting personal and economic freedom and the opportunity and prosperity that come with freedom.”

POLICY FORUM *Continued from page 9*

and whether we should proceed with lower taxes or not, and retirement security, specifically whether we should reform Social Security or not. It was a very stark contrast that, frankly, I think works well for Republicans who are willing to advocate a solid pro-growth, conservative, pro-freedom agenda.

If I can make a quick plug on the tax front, I think that issue is exactly parallel to Social Security. We have all the demagoguery about this being a tax cut for the rich that Republicans voted for and President Bush signed into law and how unfair it was and all the usual criticisms. My opponent reminded the voters in my district that not only did I support it, but I advocated passing a larger tax relief package. I pled guilty to that, and I still plead guilty. I still think that we ought to take that package and phase it in immediately. We should get rid of capital gains taxes and the double taxation on dividends and the alternative minimum tax. These are things we still ought to do. This is a discussion that we had throughout the campaign, as well, and that did not cost me this seat.

But Social Security was the centerpiece of this discussion. I have always believed that those who have suggested that Social Security reform is necessarily the third rail of American politics were really promulgating a slander against the senior citizens of America. It is really unfair, and I think it is very inaccurate.

Of course, these folks care about making sure that the benefits that they paid into a system are going to be there for them. But they care very, very much about their kids and their grandchildren as well. They want to know that you stand for a substantive program that is going to make this system viable for those kids and grandchildren that they care about, too.

Younger voters, famously, are extremely skeptical about the existing structure of the program. They are already really very far along on this. But seniors can be made to understand, and I think already do understand, the need for the reform.

I think you have to realistically understand that you have to talk about an issue

in a way that does not allow people to get any traction with the misleading messages that come out. The advertisements and the suggestions that we want to take Social Security money away were still tried in this last election cycle. Of course, we know that is kind of ridiculous. Republicans have been in control since 1995, and who isn't getting her Social Security check anymore? Who is getting a smaller check? Well, obviously, nobody. Among the reformers, who wants to pull the rug out from under anybody who is already retired or even close to retirement? Well, nobody. And we know that. But it is something that, in a political discussion and in a campaign, people need to be reminded of.

Once you have established that we are not talking about cutting benefits or changing the rules for people who are already retired, the other side finds itself, I think, in the indefensible position of justifying the status quo. When you talk about where we are going to be 15 years or 25 years or 35 years down the road, when you challenge them on that, where do they go?

People who want to just stick with the status quo are implicitly advocating a massive tax increase or a massive benefit cut, or both, and there is just no way around that. Well, neither of those is acceptable. Neither of those is appealing to anybody. That is why I think, politically, this is very much a winnable issue.

We have challenges in moving reform forward. Some of them arise from the fact that, while the impact of demagoguery has been diminished, it is not gone. There is still a lot of misunderstanding about the nature of the Social Security program.

To give you an example, I think most people do not really understand the difference between a pay-as-you-go system and a system that is funded by some other mechanism. I am convinced there are still people in Washington and the rest of the country who think that the Social Security Trust Fund consists of a cave in West Virginia where there are stacks of hundred-dollar bills, and when we run low on cash we drive out there and grab some of that. So, a lot of clarification is needed.

The final point I will make is a point that I tried to stress whenever I would speak

about Social Security to a group. It is one thing to talk about how important and how huge a problem it is for the federal government. And it is a huge problem, as we all know. If you do any kind of quantitative analysis, the present value of the shortfall is staggering. It makes the actual on-budget deficits really pale in comparison. There is an important reason to address this from a purely government financing point of view.

But I feel very strongly that there is a much bigger and even stronger reason to do this reform in the right way. And that is its power to liberate millions of American people. We have an opportunity to reform this program and allow people to accumulate savings. It would be the first time in the history of the world that average workers and low-income workers, people who today don't have enough money left over after they have paid their bills, could accumulate savings.

If we reform this the right way, we give all of those people the opportunity to accumulate wealth in their own lifetime, to see that nest egg grow, to know that they were responsible for creating that nest egg that is available to be passed on to their kids, and to protect their retirement in a way that makes them independent of the political whims of Congress.

I think those changes—creating a society where everybody is an investor and everybody is an owner and everybody is a capitalist—are enormously important, enormously beneficial for our entire country and, most of all, for the people in America who today do not have the opportunity to accumulate savings and accumulate wealth. I think that is, first and foremost, why we need to do this. The fact that it solves a major financial problem for the government is a great secondary benefit, but it is just that.

So I am going to urge my colleagues to move aggressively on this. I do not know what more we need to learn politically about this. I think what we need to do is to hold hearings. I think we should have a national debate about this. I think we should go on tours across America and discuss this. And we should mark up a bill and vote on a bill and pass a bill in the House. ■

Exporting drug prohibition

Book Blasts Latin American Drug War

It is increasingly clear that the federal government's war on drugs is not merely an abject failure but a contributor to gang warfare and the erosion of Fourth Amendment liberties as well. Yet even opponents of drug prohibition are often unaware of the truly catastrophic effects of U.S. drug policy on Latin America, where the drug "war" is more than a metaphor. Cato's vice president for defense and foreign policy studies Ted Galen Carpenter sets out to remedy that in his new book, *Bad Neighbor Policy: Washington's Futile War on Drugs in Latin America*, published by Palgrave/Macmillan.

Carpenter sets the stage with a history of federal efforts to stamp out the drug trade, from the Nixon era through the crusading Reagan administration, when a National Security Decision Directive signed by the president declared illegal narcotics a threat to U.S. national security. That directive, along with the end of the Cold War, Carpenter reports, opened the door to the use of the military to stanch the flow of drugs over the southern borders of the United States, despite the loud objections of the Pentagon. U.S. troops and materiel were sent to aid the drug interdiction efforts of Latin American governments, and the drug trafficking activities of Panamanian strongman Manuel Noriega were widely cited as justification for the 1989 invasion of that nation, which resulted in Noriega's capture.

In depressing detail, Carpenter recounts how Washington employed "ugly American" tactics to pressure Latin American governments to adopt highly unpopular anti-drug measures, with tragic results. Those governments were effectively compelled to wage war against their own rural populations, carrying out aerial herbicide spraying of crops with U.S. assistance. Drugs, unfortunately, have waged war back: the stratospheric profits that drug prohibition made possible have created bloodthirsty drug cartels and provided radical insurgent groups with a dependable source of income. That drug money has, in turn, been a powerfully corrupting force that has undermined the democratic process in many countries, where public officials who cannot be bought become targets for assassi-

nation. Contrary to popular belief, writes Carpenter, the anti-drug crusade has not been the exclusive province of Republican administrations: some of the most onerous pressure, to carry out some of the most harmful policies, was brought to bear under President Clinton.

Observers of international affairs are all too familiar with the bloodbath U.S. anti-drug policies brought about in Colombia during the early 1990s. Carpenter notes that Mexico now shows ominous similarities to Colombia

then, and he warns that, unless the United States changes course soon, it could see similar chaos much closer to home. Car-

penter's prescription is simple, radical, and certain to stop the growth of criminal cartels: end the war on drugs once and for all. Ending prohibition, he concludes, is the only way that Washington can both safeguard U.S. national security and end the human rights disaster it has inspired abroad.

Bad Neighbor Policy can be purchased (\$24.95 cloth) from Cato Institute Books at 1-800-767-1241 or from the Cato website, www.cato.org. ■



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Reform proposed for taxes, dumping laws, D.C. schools

Private Accounts Cross the Pond

The financing crisis in America's Social Security system, driven by the retirement of the Baby Boomers, is by now familiar. European Union countries, however, have been subject to the same demographic trends and therefore face many of the same problems. In "Retirement Finance Reform Issues Facing the European Union" (Social Security Choice Paper no. 28), William G. Shipman, co-chair of Cato's Project on Social Security Choice, argues that the solution for the EU, just as for the United States, is a transition to a market-based pension system. Shipman shows that market reforms can promote greater labor market flexibility, raise benefits, and keep administrative costs low without necessarily sacrificing the redistributive aspects of current pension systems, which some Europeans are anxious to preserve.

◆ Copy Our Mistakes!

A recent round of World Trade Organization negotiations was intended to help open traditionally closed telecommunications markets to international competition. Exploiting the ambiguity of the WTO framework, however, the Office of the U.S. Trade Representative has demanded that Japan adopt an "open access" regulatory policy requiring telecom providers to offer rivals access to their networks on generous terms. In a new Cato Briefing Paper, "Is America Exporting Misguided Telecommunications Policy? The U.S.-Japan Telecom Trade Negotiations and Beyond" (Cato Briefing Paper no. 79), that stance is challenged by Cato director of telecommunications studies



Adam Thierer

Adam Thierer and Motohiro Tsuchiya, an associate professor at the International University of Japan's Center for Global Communications. In addition to engendering resentment on Japan's part, the authors write, the rules upon which the USTR is insisting mimic the innovation-stifling U.S. Telecommunications Act of 1996, which has been shown to discourage investment in infrastructure.

◆ Finding the Free Traders

The debate between free traders and isolationists is a familiar one, but in "Free Trade, Free Markets: Rating the 107th Congress" (Trade Policy Analysis no. 22), Daniel T. Griswold, associate director of Cato's Center for Trade Policy Studies, argues that the conventional distinction between the two camps lacks nuance. To account for legislators' positions on trade subsidies, which distort international competition no less than tariffs, Griswold adds two categories: "internationalists," who oppose trade barriers but support subsidies, and "interventionists," who favor both. He then examines the voting records of members of Congress in order to categorize and rank each. Top free traders in the House included Jeff Flake (R-Ariz.), Charles Bass (R-N.H.), and John Sununu (R-N.H.). Eight senators had perfect pro-free-trade records: Sam Brownback (R-Kans.), Mike DeWine (R-Ohio), Phil Gramm (R-Tex.), Richard Lugar (R-Ind.), John McCain (R-Ariz.), Don Nickles (R-Okla.), Rick Santorum (R-Pa.), and Fred Thompson (R-Tenn.).

◆ No Need to Panic over China

Recent Pentagon studies make clear that the military establishment is alarmed by China's ongoing modernization of its armed forces. But a new study by Cato's director of defense policy studies Ivan Eland suggests that panic is unwarranted. In "Is Chinese Military Modernization a Threat to the United States?" (Policy Analysis no. 465), Eland suggests that the answer is no, given a properly restrained conception of vital American interests. U.S. military spending still outstrips China's by a factor of 10, and even without American aid, Taiwan's military is advanced enough to make an attack by China too costly to seriously consider.

◆ Voters Grip the "Third Rail"

Politicians have long been wary of proposing changes to Social Security, yet a new Cato study summarizing the results of a national poll conducted by Zogby International shows that the American public is ready for reform. In "Public Opinion and Private Accounts: Measuring Risk and Confidence in Rethinking Social Security" (Social

Security Choice Paper no. 29), pollster John Zogby and researchers Regina Bonacci, John Bruce, Will Daley, and Rebecca Wittman report that 68 percent of likely voters favored giving younger workers the option to invest a portion of their payroll taxes through personal retirement accounts. The survey revealed that the most salient reason for popular support is not the expectation of higher returns on the market but a belief that workers are entitled to greater control over their retirement. Therefore, public opinion on Social Security reform is not as subject to market fluctuations as many people have supposed.

◆ Ground the Osprey

After 15 years in development at a cost of \$12 billion, the Pentagon's V-22 Osprey aircraft, an airplane with the ability to take off and land vertically like a helicopter, is nowhere near ready for deployment. It has crashed four times in test flights, killing 23 Marines, and the craft's design makes it irreparably vulnerable to the aerodynamic problem that caused those tragedies. With that track record, writes Cato senior defense policy analyst Charles V. Peña in "V-22: Osprey or Albatross?" (Foreign Policy Briefing no. 72), the Osprey program should have been scrapped years ago. Instead, Congress and the Marine Corps have kept the program alive, even though the Osprey is only marginally more capable than far less expensive helicopters.

◆ Dealing with the Dear Leader

The most commonly advocated strategies for dealing with the despotic regime of North Korea's Kim Jong Il are all seriously flawed, according to Ted Galen Carpenter, Cato's vice president for defense and foreign policy studies. In "Options for Dealing with North Korea" (Foreign Policy Briefing no. 73), Carpenter examines three leading options: continuing to bribe North Korea in hopes that it will eventually abide by its agreements to cease nuclear development, launching a preemptive strike against North Korean nuclear installations, and exerting pressure through economic sanctions. The first path would merely extend a failed policy, writes Carpenter, while the second could trigger a catastrophic,

potentially nuclear war on the Korean peninsula, and the third would have little effect on a nation that is already among the most economically isolated in the world. Instead, Carpenter suggests that Washington should encourage the emergence of a regional balance of power by announcing that if North Korea continues to attempt to produce nuclear arms, the United States will not object should South Korea and Japan follow suit. Carpenter also observes that had the United States not insisted on maintaining a military presence on the peninsula, North Korea's neighbors would already be taking the lead in dealing with the current situation.



**Ted Galen
Carpenter**

◆The Case against War

The United States stands poised to embark on a war effort that is not merely unnecessary but also harmful to its national security, say Ivan Eland and Bernard Gourley in “Why the United States Should Not Attack Iraq” (Policy Analysis no. 464). The authors examine the justifications offered for invading Iraq and find them severely wanting. Proponents of war argue that Saddam Hussein is irrational and cannot be deterred by the threat of American reprisals, as China and the Soviet Union were during the Cold War. He will, they claim, lash out at the United States and its allies, either directly or by handing weapons of mass destruction to terrorists. As the authors observe, those claims are at odds with all available evidence about Hussein, who is immoral and sometimes unwise, but not irrational. Eland and Gourley show that Hussein has every reason to refrain from acting against the United States, unless and until he himself is attacked.

◆Explaining Stupid Taxes

If you wonder how the U.S. tax code came to be as perversely complex as it is, consider the programmers' acronym GIGO: garbage in, garbage out. As David R. Burton of the Argus Group law firm reveals

in “Reforming the Federal Tax Policy Process” (Policy Analysis no. 463), the biased and incomplete information legislators receive from the Congress's Joint Committee on Taxation and the Treasury Office of Tax Analysis all but guarantees unwise policy decisions. Burton advances reforms that would, he says, make those entities more accountable and their methodology more transparent, as well as force them to take into account important economic effects of policy changes that are currently ignored.

◆“Investing in Education” for Real

In his new study, “Human Capital Contracts: ‘Equity-like’ Instruments for Financing Higher Education” (Policy Analysis no. 462), Miguel Palacios describes an innovative way of paying for a college education: the human capital contract. Instead of borrowing money, to be repaid with interest, students agree to pay a certain percentage of their salaries after graduation for a predetermined period to the investors who foot their tuition bills. In addition to allowing investors to support promising young people, human capital contracts facilitate more efficient distributions of risk and increase competition in higher education markets. For this financial instrument to flourish, however, Palacios writes, policymakers must guarantee the enforceability of human capital contracts and make sure that they are on equal footing with traditional loans for tax purposes.

◆Antidumping or Anti-Competitive?

The World Trade Organization's Antidumping Agreement is due to be revised during the current round of talks in Doha, Qatar. This has led some observers to worry that antidumping rules will be weakened, subjecting producers to “unfair” competition. But as Cato scholars Brink Lindsey and Dan Ikenson observe in their new work, “Reforming the Antidumping Agreement: A Road Map for WTO Negotiations” (Trade Policy Analysis no. 21), the fourth in a series of studies of antidumping law, the rules as they're now structured create market distortions rather than correct them. The authors lay out a set of specific reforms tailored to increase the fit between the puta-

tive goals of the rules and their effects. These include requiring domestic industries seeking relief to show evidence of underlying market distortions that encourage dumping, giving alleged dumpers an opportunity to defend their business practices, and extensively revising a set of criteria that bias the remedy process in favor of finding dumping behavior when none exists.

◆When Congress Controls Education

It is hardly news to parents in Washington, D.C., that the District's public schools are among the worst in the country, despite per pupil expenditures rivaling the country's highest. But as education policy analyst Casey J. Lartigue Jr. reveals in his latest Cato study, “The Need for Educational Freedom in the Nation's Capital” (Policy Analysis no. 461), the problem is not a new one. D.C. public schools failed students for most of the 20th century.



Casey J. Lartigue

Rather than throw more money into a broken system, says Lartigue, policymakers should subject the failing public system to competition by enacting school choice reforms.

◆Needed: Fighter Plane

The F-35 Joint Strike Fighter project is the first attempt to develop a fighter plane for use by multiple branches of the armed forces since the failure of a similar project in the early 1960s. While there is a danger that the JSF may yet be plagued by the problems that doomed its predecessor, strong civilian leadership at the Pentagon can ensure that those pitfalls are avoided, according to a new Cato study, “Joint Strike Fighter: Can a Multiservice Fighter Program Succeed?” (Policy Analysis no. 460), written by Christopher Preble shortly before he joined Cato as director of foreign policy studies. If the JSF is not allowed to become another excuse to funnel pork to the home districts of defense contractors, it could realize significant savings by allowing the various branches of the military to use common parts and systems. ■

“The recent movie hit *Barbershop* was full of ordinary characters making casual observations right out of Shelby Steele.”

BLACK AMERICA *Continued from page 1*

We gain a different perspective on what's really happening in the black community from polls taken over the past 10 years. The *New York Times* has done polls of roughly a thousand blacks from around the country. In the year 2000, a mere 7 percent of blacks thought racism was the most important problem for the next generation of Americans to solve. In 1990, 33 percent of blacks thought race relations in America were generally good; in 2000, 51 percent did. In 1992, 29 percent of blacks thought progress had been made in race relations since the 1960s; by 2000, 58 percent did.

Black Conservatives at the Barbershop

Results like those square easily with a black person's ordinary experience. All of the positions commonly deemed “black conservative” are easy topics at a black barbecue today. Bring these things up and you are almost sure to have at least half the room agreeing and the two or three professional victimologists among the group going away feeling on the defensive. The recent movie hit *Barbershop* nicely captured this. Aside from the very brief knocks on Jesse Jackson and Martin Luther King that attracted so much attention, the film was full of ordinary characters making casual observations right out of Shelby Steele. At the Manhattan Institute, Steve Malanga told me that when he saw it, he kept wondering whether I had written it, and I must admit that when I saw it, I often found myself thinking the same thing.

The problem is that when asked about race issues in the presence of whites the next day, the same people who sounded a lot like Thomas Sowell the night before often pause for a moment and then carefully dredge up episodes of possible racism they may have encountered in their lives, claim that there aren't enough positive images of blacks in the media, and the like.

In the black community today, there is a tacit rule that black responsibility and self-empowerment are not to be discussed where whites can hear.

Why is it that so many blacks are uncomfortable acknowledging the successes of the race in public, beyond athletics and entertainment? To the outside observer, nothing could look more counterproductive. But it's based on a certain internal logic, a guiding notion—so deeply entrenched in modern black thought that it is rarely declared explicitly—that until all racism is extinct in the United States, any black success is mere luck, and meanwhile most of black America remains decisively hobbled, unable to do more than show up.

Another conviction follows from this: that the ills of black America can be undone only by whites, rather than by blacks themselves. Untold numbers of oppressed groups worldwide have risen to the top through their own efforts, amidst discrimination much more concrete than any that most blacks Americans encounter today. But in everyday life, this is a rather arcane point, and it gets lost in a consensus that black Americans' experience is somehow unique in this regard. Black people roughly 60 and younger have spent their mature lives in a climate where it is assumed that black uplift means “not letting whites off the hook.” This phrase is heard so often among blacks today that it is nothing less than a mantra, spiritually resonant and virtually unquestioned.

Any author who claims he never reads his Amazon reviews is being coy, I suspect, and to illustrate what I mean, I'd like to quote one from a black reader of my book *Losing the Race*.

I'm hesitant to write this review. On the one hand, I absolutely loved the book, despite having started it hating McWhorter from what I had heard about him. As I read it, I found it harder and harder to disagree with him. However, I'm worried that McWhorter's argumentation will be picked up by truly anti-black people. . . . I'm troubled by the fact that white people who already harbor prejudices against African Americans now have yet another weapon.

Polls give other indications that black Americans today tend to assume that resid-

ual racism is a decisive obstacle rather than an inconvenience. In a 1991 Gallup Poll, almost half of the blacks polled thought that three of four blacks lived in the inner city. One even sees black American scholars laboring under this misimpression: in 1998, Manning Marable's depiction of black America in the *New York Times* was that “a segment of the minority population moves into the corporate and political establishment at the same time that most are pushed even further down the economic ladder.” Marable is the head of Columbia's African American Studies Department. Poll after poll shows that blacks tend to assume that even if conditions for themselves and their immediate communities are good, they are much less so for most other blacks. In the *New York Times* poll of 2000, 72 percent of blacks thought race relations were good in their communities, but only 57 percent thought they were good in America.

The New Double Consciousness

Where does this new double consciousness come from? It is vital to understand that, at heart, it is a symptom of a deep pain among black Americans. The Civil Rights Act freed blacks from legalized segregation, but once freed, blacks met a new intellectual and cultural climate that taught that the Establishment was an agent of repression and that its norms must be suspect to any humane and sophisticated American. This brand of thought tends strongly to exonerate the individual from responsibility for failings and weaknesses, and encourages blaming the powers that be as an urgent, and even enlightened, activity.

Black Americans were especially susceptible to this canard. For one thing, centuries of abuse left the race with an inevitable inferiority complex, well documented by black academics and psychologists and readily acknowledged even at black barbecues. For a people with this handicap, focusing on the evil of the system was a fatal attraction, an ever-ready balm for a bruised self-conception. I firmly believe that any ethnic group would have fallen into a similar trap, given equivalent socio-historical variables.

“The race that reaches the mountaintop is one that embraces with vigor its achievements and teaches its children that doing so in the face of obstacles only makes the victory sweeter.”

What this means, however, is that the new double consciousness is not a cynical ploy for power and favors. I am dismayed whenever I see one more writer supposing that black people adopt these ideologies as a kind of politics. Professional victimhood is a symptom of a deep stain on the psyche of a race, and I believe that there can be no true understanding of our current racial dilemma without understanding this.

The new double consciousness explains almost any event having to do with race that floats across our TV screens. For example, recently Harry Belafonte called Colin Powell a “house slave” for downplaying some of his personal political positions in his activities as secretary of state. But of course, people of any color working in an organization find themselves editing their personal predilections in the name of group solidarity. White people view this as how real life works.

Belafonte, however, naturally regards issues like, say, affirmative action as an exception. If residual racism is a sentence to failure rather than an inconvenience to be surmounted, then certainly standards must be lowered for all black people, and just as certainly, if a black official refrains from insisting on this, then we are faced not with real life but with unequivocal moral cowardice.

Another example is how much black scholarship on popular entertainment is based on smoking out stereotypes in characters that few of us would immediately view in that way. Television today depicts black Americans in all walks of life; it is hard not to see a successful middle-class black person on TV if one channel-flips for longer than about 10 minutes. This contrasts so sharply with the situation just 20 years ago that I never cease to be amazed at it.

Yet Donald Bogle’s book *Primetime Blues* two years ago nimbly framed just about anything any black performer does on television *even today* as coded versions of stereotypes that trace back to minstrel shows. Bogle is not seeking political patronage. As a post-Civil Rights Act black American thinker, he has been imprinted with a sense that his job is to show that racism

never dies, that until there is no racism at all in the United States, to be black remains a tragedy.

History also gives us contrasts with today that illuminate the new double consciousness. In 1954, the black singer Marian Anderson did a tour of Asia that was broadcast on the old show *See It Now*. One black viewer wrote a letter of protest in which she complained that the special had focused on tragedies like the Little Rock episode and the fact that the DAR had barred Anderson from singing at Constitution Hall, but had not said much about “the many of our race who are on top.” I find that statement unimaginable from most black writers today—to focus on successful blacks would be seen as a distraction from focusing on the negative. This is not an accident.

The Coming Change

However, I believe that we are on the brink of a sea change in the new double consciousness. There are now millions of black Americans whose memories begin after 1980: they barely remember the Reagan presidency, Atari, LP records, or McDonald’s hamburgers packaged in Styrofoam boxes; they think of *Cheers* as vintage television, and they do not remember a world without VCRs. More to the point, they missed the Black Panthers and Burn, Baby, Burn, and signs are that quite a few of them are less imprinted by the double consciousness than their parents.

In a poll by Yankelovich Partners for *Time* and CNN in 1997, only 38 percent of black adults said race relations in America were generally good, but 63 percent of black teens did; and 56 percent of black adults said that discrepancies in employment, housing, and income were due to discrimination rather than failure to take advantage of opportunity, while only 35 percent of black teens did.

Also, my conviction is based on recent personal experience. There is a fable that black conservatives end up hunkering down in their living rooms against universal condemnation from the black community. I have not experienced this. Certainly, mainstream reviews of *Losing the Race* were mostly hostile. But that was because the

media always give books by black authors to leftist black academics to review. In the meantime, since August 2000 I have received well over a thousand letters, e-mails, and phone calls about the book from blacks who agree with what I wrote, and every article I write or television appearance I make elicits more. In the Bay Area, where I am especially well known because of local media coverage, I am stopped on the street by a black person who agrees with me at least once every single day of the week. Now, the double consciousness issue is an urgent societal problem, and thus I am not patting myself on the back for being approached for autographs at Starbucks. I mention this experience because it shows one thing: there are massive numbers of black Americans out there who are ready for a new discourse.

After all, it’s not as if anything I have ever written or said has been exactly rocket science. Our modern race problem is less intractable than often supposed. Modern black Americans are well poised to embrace the opportunities now available to them, and most have already done so. The problem that remains is a particular cognitive dissonance—since the 1960s, black Americans have been taught that our successes are mere statistical static because our fates are ultimately in the hands of others. This distracting notion stems from a perversion of sociological analysis that came to reign in the 1960s, and its counterintuitive, anti-empirical, and spiritually destructive nature is increasingly clear to more and more black Americans.

Our job is to disseminate the message as widely as possible that the race that reaches the mountaintop is one that embraces with vigor its achievements, trumpets them to all who will listen, and teaches its children that doing so in the face of obstacles only makes the victory sweeter. I have come to spend a year in New York to help in precisely that effort, and I think that if we can change the general context that young blacks live in—and show older blacks that the sky does not fall in for us if we paint ourselves as victors rather than victims—then in about 25 years, the “race question” that bedevils us will be an issue from the past. ■

Tourism reports by Buzz Aldrin and Dennis Tito

Can Entrepreneurs Take Us into Space?

Generations of Americans have grown up with a vision of space exploration controlled almost entirely by government. In the real world, the first pioneering efforts to break free of Earth's womb were inextricably tied to the Cold War's arms race and visions of "national greatness." Even in works of fantasy, it is the Galactic Empire and the United Federation of Planets that are charged with the mission of exploring strange new worlds. *Space: The Free-Market Frontier*, a bold new Cato Institute book edited by Edward L. Hudgins, Washington director of the Objectivist Center, invites us to rethink that vision, to imagine instead a future in which entrepreneurs are free to boldly go where no private business has gone before.

Hudgins's introduction provides both a brief history of the U.S. space program and a tantalizing survey of commercial possibilities presented by the great black yonder, from tourism to power generation to heavy industry. The papers collected in the book, originally delivered at a 2001 Cato Institute conference on the private use of space, are divided into four parts: the first looks to the past, as represented by the National Aeronautics and Space Administration; the second examines government barriers to private space flight; and the final two look, respectively, at the exciting uses entrepreneurs might make of the rest of the universe and the legal framework required to make them a reality.

Several of the contributors to *Space* are

not merely incisive observers of the practice and policy of space flight but active participants as well. An article coauthored by the renowned Buzz Aldrin, who piloted the *Apollo 11* lunar module on the first manned trip to the moon, and Ron Jones, executive director of the SpaceShare Foun-



ation, sketches a model of private space tourism, which the authors see as the most likely catalyst for serious private investment in space flight. The first real space tourist, Dennis A. Tito, reflects on his own journey up the gravity well. Former representative Bob Walker (R-Pa.), who served on the House Science Committee, compares space travel with the telecommunications revolution, in which the groundwork was laid by government but explosive progress came only when private actors saw the prospect of a profit to be made. One way to brighten that prospect is offered by Rep. Dana Rohrabacher (R-Calif.), whose Zero Gravity, Zero Tax Act would create "a kind of enterprise zone in orbit." Other essays present a theory of space property rights, examine the legislative changes needed to make private investment feasible, and propose an international treaty to establish jurisdictional rules for property in celestial bodies.

Space: The Free-Market Frontier can be purchased (\$25.00 cloth/\$15.00 paper) from the Cato Institute by phone at 1-800-767-1241 or from the Cato website, www.cato.org. ■

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Cato Journal: Inflation and Unemployment

New issues of the *Cato Journal* and *Regulation* magazine have been released, with in-depth analyses of cigarette taxes, unemployment, public land management, foreign aid, and the legacy of Peter Bauer.

For decades, a specter has been haunting economics—the specter of the Phillips curve, which shows a purported tradeoff between inflation and employment. Cato chairman William A. Niskanen exorcises that ghost in the lead essay of the Fall 2002 issue of *Cato Journal* (vol. 22, no. 2.), in which he shows that, in fact, once a two-year lag is added to allow the full economic effects of inflation to be felt, a positive relationship between inflation and unemployment emerges. Another determinant of unemployment is identified by German economist Bernhard Heitger, whose study of countries that are members of the Organization for Economic Cooperation and Development found a mutually reinforcing link between rising taxes and rising unemployment.

Other articles include a comparison of public and private railroad building by Clifford Thies, a study of how economic growth affects poverty rates by Seth W. Norton, James A. Dorn's encomium to the great development economist Peter Bauer, and a postmortem on Indonesia's banking col-

lapse and subsequent restructuring by George Fane and Ross H. McLeod.

The Winter 2002 issue of *Regulation* (vol. 25, no. 4) features a four-part special report on smoking and government. Jonathan Gruber and Cato's Thomas

Firey square off on the philosophy and economics of restricting current actions for the sake of one's "future self." Harvard's W. Kip Viscusi sees alternatives to higher taxes as a way to address the problems of smoking, and Gio Batta Gori examines alternative tobacco products—"safer smokes," less risky than ordinary cigarettes.

Liberal political philosopher Cass Sunstein examines the precautionary principle, which proscribes any action that carries risk of serious harm, even if the risk is quite small. The principle is often invoked by environmentalists to argue against the use of new

technologies, but its fatal flaw, according to Sunstein, is "that it offers no guidance—not that it is wrong, but that it forbids all courses of action, including inaction."

Contributors also look at barriers imposed by the Securities and Exchange Commission to entry to the bond-rating industry, federal backing for nuclear power, pharmaceutical price controls, terrorism insurance, and the public funding of sports stadiums. Penn Jillette's "The Final Word"

suggests a prank for the liberty minded: carry the Bill of Rights on a metallic card when passing through airport security. When questioned, Jillette writes, you can respond, "Oh, yes, it's my constitutional rights. Here you go, take them."

Both the *Cato Journal* (\$8.00) and *Regulation* (\$5.95) can be purchased from the Cato Institute at 1-800-767-1241 or via the online Cato bookstore at www.cato.org. One-year subscriptions to both magazines are available, to *Cato Journal* for \$24.00 (\$6.00 per issue), and to *Regulation* for \$20.00 (\$5.00 per issue). ■



Cato Calendar

Cato City Seminar

Minneapolis • Radisson • May 8, 2003
Speakers include Clint Bolick.

Educational Freedom and Urban America

Washington • Cato Institute
May 15, 2003

Speakers include Rev. Floyd Flake, Howard Fuller, Paul Peterson, Lawrence Patrick, Frederick Hess, David Salisbury, and Casey Lartigue Jr.

Cato City Seminar

New York • Waldorf-Astoria
June 5, 2003

Cato University Summer Seminar

San Diego • Rancho Bernardo Inn
August 2–8, 2003

Speakers include Marcus Cole, David Henderson, Randy Barnett, Tom G. Palmer, and Charlotte Twight.



Rev. Floyd Flake



Charlotte Twight

Arguing for Liberty: How to Defend Individual Rights and Limited Government

Cato University
Quebec City
October 23–26, 2003
Speakers include Tom G. Palmer and Gene Healy.

The Future of the Euro
21st Annual Monetary Conference
Washington • Cato Institute
November 20, 2003

Supreme Court to bear sodomy and racial preference cases

Cato Court Briefs Defend Equal Rights

On January 16, the Cato Institute was the only organization in the country to ask the Supreme Court to strike down both the preferential admissions policies of the University of Michigan and the sodomy law of Texas, both on equal protection grounds.



Roger Pilon, director of Cato's Center for Constitutional Studies, discusses property rights and the environment at a Cato Hill Briefing on January 17.

In the Michigan cases, *Grutter v. The Board of Regents of the University of Michigan et al.* and *Gratz v. The Board of Regents of the University of Michigan et al.*, Cato's amicus curiae brief urged the Court "to uphold the principle that there is one Constitution for all Americans, under which we are afforded equal protection" and to find racial and ethnic preferences in state college admissions in violation of the Equal Protection Clause of the Fourteenth Amendment. The brief was written by Samuel Estreicher of the New York University School of Law in conjunction with the scholars at Cato's Center for Constitutional Studies. UCLA's Eugene Volokh joined the brief.

In *Lawrence v. Texas*, Cato's brief argues that the Texas Homosexual Conduct Law violates the three main provisions of section 1 of the Fourteenth Amendment: the Privileges or Immunities Clause, the Due Process Clause, and the Equal Protection Clause. "By singling out only homosexual sodomy," said Roger Pilon, Cato's vice president for legal affairs, "the Texas law is in clear violation of the Equal Protection

Clause. But our brief goes further in asking the Court to overturn *Bowers v. Hardwick*, the 1986 decision that upheld, under the Due Process Clause, a Georgia statute that criminalized homosexual conduct. That decision is flatly inconsistent with the Court's due process decision a decade later in *Romer v. Evans*." The *Lawrence* brief was written by Yale Law School's William Eskridge with the aid of Cato's constitutional scholars.

The Cato Institute has also filed amicus curiae briefs in recent Supreme Court cases involving drug testing of high school students, school vouchers, mandatory minimum sentences, Clean Air Act regulations, and warrantless arrests for minor offenses such as failure to wear a seat belt. Another recent amicus curiae brief was filed in support of Sen. Mitch McConnell's suit against the McCain-Feingold campaign finance restrictions. That case is currently before the federal district court. Amicus curiae briefs enable Cato to argue directly to the courts, urging them to restore limited constitutional government. ■

News Notes

Preble, O'Driscoll Join Cato

Christopher A. Preble has joined the Cato Institute as director of foreign policy studies. He was a commissioned officer in the U.S. Navy and is a veteran of the Gulf War, having served onboard the USS *Ticonderoga* (CG-47) from 1990 to 1993. He holds a B.A. from George Washington University and a Ph.D. in history from Temple University. He is completing work on a book about the political and economic roots of the missile gap controversy of the late 1950s and early 1960s. Publication of *John F. Kennedy and the Missile Gap* is expected in 2004. Preble taught at Temple University and at St. Cloud State University before joining Cato, and his study on the Joint Strike Fighter was published as a Cato Policy Analysis in December. His earliest association with Cato was as an intern in 1987.



Christopher A. Preble

Charles V. Peña has been named director of defense poli-



Charles V. Peña



Gerald P. O'Driscoll Jr.

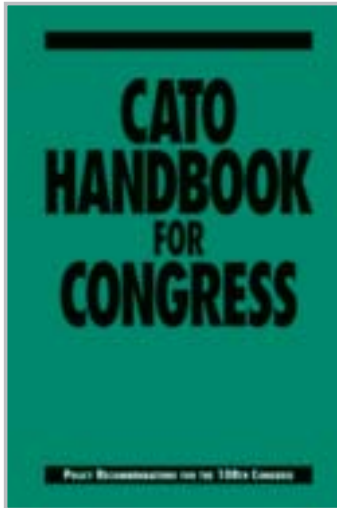
cy studies, succeeding Ivan Eland. He was previously senior defense policy analyst and has been very visible in the news media throughout the war on al-Qaeda and the impending war with Iraq. He is the author of recent studies on the V-22 Osprey aircraft, smallpox vaccination policy, and building an anti-terrorism coalition.

Gerald P. O'Driscoll Jr. has been named a senior fellow specializing in trade, finance, and economic development. Most recently director of the Center for International Trade and Economics at the Heritage Foundation, O'Driscoll was senior editor of the annual *Index of Economic Freedom*. He was previously a vice president of Citigroup and the Federal Reserve Bank of Dallas and served an earlier term as a Cato senior fellow.



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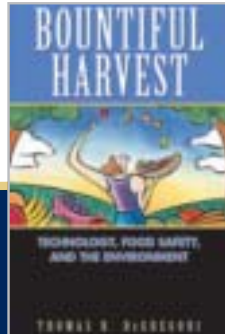
"A soup-to-nuts agenda to reduce spending, kill programs, terminate whole agencies and dramatically restrict the power of the federal government."

—Washington Post

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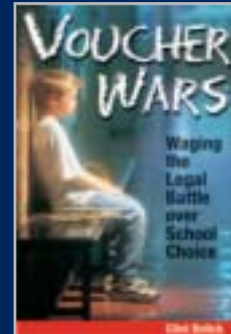
When businessmen Dennis Tito and Mark Shuttleworth paid millions of dollars to ride in space, millions of other people imagined what it would be like to do the same. Edited by Edward L. Hudgins, this book shows how to open space to private travel and other commercial ventures. 259 pp./\$25.00 cloth ISBN 1-930865-19-8 \$15.00 paper ISBN 1-930865-18-X



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This new annual review from Cato analyzes the last Supreme Court term, looking at the most important and far-reaching cases of the year. Written from a classical Madisonian perspective, this review includes articles on property rights, the First Amendment, child pornography, federalism, crime, the war on drugs, school choice, and political speech. 269 pp./\$15.00 paper ISBN 1-930865-35-X



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◆ **The right to Coke**

Venezuela’s national guard today seized warehouses full of beer, soft drinks and bottled water, which had been closed since the start of a seven-week strike. . . .

Troops clashed with unarmed demonstrators who protested seizures at the warehouses of a Coca-Cola bottler. . . .

“We are distributing this product to the population because collective rights come above individual rights,” General [Felipe] Acosta [Carles] said, slurping down a warm soft drink and belching into the camera.

—*New York Times*, Jan. 18, 2003

◆ **He hopes Venezuelan law does allow such raids?**

With Friday’s high-stakes raids on a bottling affiliate of Coca-Cola Co. and warehouses of food company Empresas Polar, embattled President Hugo Chavez appears to be attempting to shore up support among the poor. . . .

U.S. Ambassador Charles Shapiro said he was “concerned and disappointed” by the raids, which affect U.S. interests in Venezuela. “I strongly hope I’m wrong, but it looks like the officers did not act within the law,” he said.

—*Wall Street Journal*, Jan. 20, 2003

◆ **Nanny state or Animal Farm?**

Farmers throughout [Britain] have 90 days to put a toy in every pigsty or face up to three months in jail.

The new ruling from Brussels, which is to become law in Britain next week, is to keep pigs happy and prevent them chewing each other.

Official instructions to farmers are to give pigs “environmental enrichment” by providing “manipulable material”,

which the Department for Environment, Food and Rural Affairs last night defined as balls.

A spokesman said: “We mean footballs and basketballs. Farmers may also need to change the balls so the pigs don’t get tired with the same one. Different colour ones will do. These rules are based on good welfare. We don’t want to come across as the nanny state, but the important thing is to see pigs happy.” . . .

Farmers should be careful about scoffing at the idea: they could be fined up to £1,000 or jailed for three months if they fail to amuse their stock.

—*Times Online*, Jan. 29, 2003

◆ **And the taxpayers pay for this because . . . ?**

Ken Mehlman is White House political director, a major force behind the Republican victories of November and the man in line to run President Bush’s reelection campaign in 2004.

“My job,” Mehlman says, “is to look after the president’s political interests.” . . .

It is Mehlman’s job to spot Bush-friendly candidates for slots up and down ballots across the country. It is his job to see that the Republican National Committee, the state parties and GOP candidates are all singing from the same hymnal page.

—*Washington Post*, Jan. 22, 2003

◆ **He got a rat in his pocket?**

Maryland Gov. Robert L. Ehrlich Jr. [has a] quirky habit of talking about himself in the third person. . . .

Here’s the new Republican governor on his friends’ advice to refer to historical figures in his inauguration speech: “Nah, nah, it’s just going to be Bob unplugged.” . . .

“We know,” he started, then quickly righted course. “Mike and Bob know it is the ticket every young person must be given in order to succeed.”

Bob had this to say about how he and his wife feel about moving into the governor’s mansion: “There’s been discussion between Bob and Kendel about life changes.” . . .

Asked about his idiomatic idiosyncrasy, he said he hadn’t really noticed it:

“It’s just the way we speak,” he said. “We’re pretty informal.”

—*Washington Post*, Jan. 18, 2003

◆ **And the government is suing investment firms?**

I spoke with Gray Davis, the Democratic governor of California, and with Republican Bill Owens, governor of Colorado. First, Davis says he’s facing the largest budget gap in the country, some \$34 billion.

[Bob Edwards:] Critics say that the states should have been saving more during the boom years of the ‘90s, that spending was out of line.

Gov. Davis: Well, that’s easy to say in retrospect. When you’re in good times, it’s hard to believe they’re going to end.

—*Morning Edition*, National Public Radio, Jan. 14, 2003

◆ **Nation building unto eternity**

On a door of the Joint Chiefs of Staff’s offices, Pentagon merrymakers have tacked “The 12 Days of Christmas”—as they figure Saddam Hussein might sing it. Among gifts “the Great Satan sent to me” are “Hans Blix in a Humvee, two U.N. inspectors, three stern warnings, four palace air strikes.” And last, “12 years of reconstruction.”

—*Wall Street Journal*, Dec. 20, 2002

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