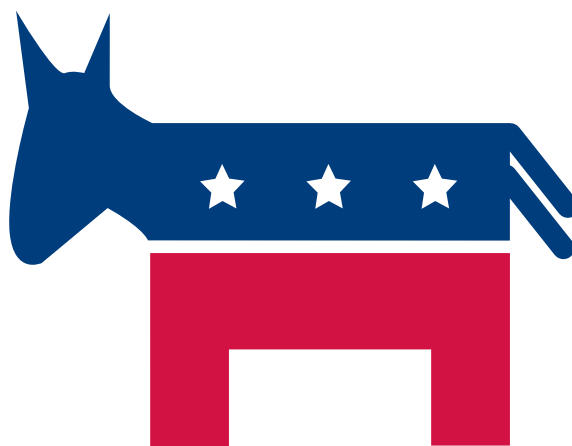


U.S. Election

A Democratic View

*A few inches with
seismic consequences.*

BY JOHN D. PODESTA



The election of 2002 is likely to be remembered as one in which a closely divided American electorate moved only a few inches, but with seismic consequences to how the country is governed.

By some measures, this was little more than a status quo election. After the 2000 election, the Senate was 50–50. Senator Jeffords' switch made it 51–49 Democratic. The 2002 election made it 51–49 Republican. Inches. But what a profound effect on the President's strength in governing.

A good deal of that effect has almost less to do with the result—the Republican takeover of the Senate, a body which, as Tom Daschle learned, is hard to manage without the super majority needed to cut off filibuster—and more to do with how the race was conducted.

Going into the election, President Bush and his team surveyed the landscape and saw that while the weak economy meant that Democrats were likely to pick up some important Governor's houses, redistricting made the House Republican majority all but safe, and that the Senate would be decided on the President's turf. Nine out of ten close Senate races were in so-called red states, states the President carried in 2002.

Given that line up, the President decided to put it all on the line, campaigning in an off-year like no previous President, masterfully controlling the fall congressional calendar to focus on Iraq and the Department of Homeland Security and to avoid any discussion of the economy. He pleaded to his Republican

base that this election was a referendum on his leadership on national security affairs.

Against this, the Democrats ran a tactical race, critiquing the President's economic performance, but offering no compelling plan of where they would take the country.

The President rolled the dice, and he won—big time. But what will the win mean for the country?

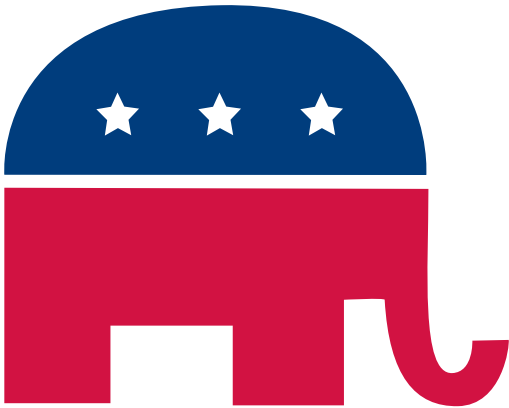
Judges. The most certain result of this election is that President Bush will be able to put a more conservative stamp on the federal courts, especially the important Circuit Courts of Appeal. The Senate will move on judges more quickly and the Senate Judiciary Committee is unlikely to vote down any of the President's selections, as they did two of his most conservative picks last Congress. While the press has focused on the potential impact on social issues such as abortion and school prayer, the impact on business-related issues, especially employment rights, workplace safety, environmental regulation, property takings, access to the courts, and tort reform is likely to be even more profound and long lasting.

Domestic Affairs and the Federal Budget. The only certain result here is that the balanced budgets and the budget surpluses that were so hard fought and hard won by Democrats in the 1990s are gone for as far as the eye can *Continued, page 22*

John D. Podesta is former White House chief of staff to President Clinton.

Postmortem

GOP Outlook



*To avoid repeating history,
Republicans had better make their own.*

BY ED ROGERS

There are three certain outcomes to every American election: a winner, a loser, and an exhaustive analysis of What It All Means. It is unequivocally clear that the November midterms were historic, and a victory as great for the Republican Party as they are a cause for celebration. Yet as the dust settles, the press has already started raising expectations about what President Bush should be able to accomplish in the two years leading up to the next election. Superficial and conventional wisdom leads with the assumption that the new GOP majority epitomizes the admonition of Jesus in Luke 12:48: “To whom much is given, much is also required.” In reality, Republicans have been handed far less than *carte blanche*. Even the re-taking of the Senate has a built-in caveat. As former Senate Majority Leader Trent Lott has noted repeatedly, in the Senate, the majority does not rule. The 51-vote majority the GOP currently holds in that chamber is an advantage, not an edict: 51 falls far short of the 60 votes required to move any piece of legislation forward. Yet, punditry remains rife with the notion that President Bush has been handed a dictatorship along with his party’s victory.

But having noted all that, the Democrats could have some difficult and depressing times ahead. Albert Einstein once pointed out that the definition of insanity is doing the same thing over and over again, but expecting a different result. By that standard, the Democratic Party’s first high-profile move since the election—the anointing of ultra-liberal San Francisco con-

gresswoman Nancy Pelosi as House minority leader—is textbook, an act of madness destructive to the Democrats and highly entertaining to Republicans. Pelosi is symptomatic of the main reason the Democrats don’t have a national party: the Democratic leadership is at ideological war with Middle America, especially the Southern middle class. The Democrats like to say that they lost because their base didn’t turn out, but their base did turn out—and only their base. The middle class and the independent voter identified their options on the ballot, and didn’t find much to identify with in the Democrats.

By contrast, as Democratic candidates across the country were begging high-profile leaders such as the Clintons and Al Gore to stay away, Republican candidates were lining up to roll out the red carpet for President Bush and his surrogates, and President Bush was indefatigable in his willingness to get on the stump, use the megaphone of his office, and put his prestige on the line. It worked, and President Bush’s message continues to reverberate across the country post-election: the *New York Times* recently noted presidential advisor Karl Rove’s mention of new polls “that suggested voters were steadily warming” to the President.

Several factors contributed to the sweep: first, Republicans had good candidates. Second, by equal parts accident, fortune, and design, the GOP had its first good October since 1994. From major distractions in the news ranging

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see. The combination of the President's tax cut, the sluggish economy, and increased defense spending will virtually guarantee budget deficits throughout the decade. While the President may get a short-term stimulus tax cut through the Congress, prospects for permanent extension of the tax cut are probably only slightly better than before the election. And Social Security reform is today even more remote than in the past several years, given that the money needed to fund a transition to a partially privatized system is long gone. Prospects for substantial reform of the Medicare system, however, may have improved, since Congress is likely to have to find real savings to offset the cost of an expensive prescription drug program.

The most counterintuitive result of the election, I believe, is that the President's success will actually strengthen the Democrats' opposition to his domestic program. Democrats came face-to-face with the hard electoral reality of trying to run against a popular President by blurring the differences on tax policy and with no real economic program of their own. That is unlikely to happen twice. Democrats, on the Presidential stump and on the House and Senate floors, will be offering proposals to stimulate the economy, to reorient the tax cut to the middle class through payroll tax relief, to expand health coverage, to lower the price of prescription drugs, and to invest more in education and the environment.

Deregulation and Congressional Oversight. When Democrats lost the Senate majority, they not only lost the ability to set the legislative agenda, they lost the ability to do real oversight and investigations of the federal regulatory apparatus. Within days of the election, the Administration announced a series of environmental rollbacks on clean air, federal land management, forest policy, and energy development. Had Senator Joe Lieberman

(CT) rather than Senator Susan Collins (ME) been chairing the Senate's key investigative committee, you could be certain that subpoenas would be flying in the new Congress. Instead, you can expect that the Administration can do pretty much any favor it wishes for its political allies and all will be quiet on the Capitol Hill front.

Homeland Security. President Bush campaigned on getting his new department exactly as he wanted it, and that's what he got. Now he and Secretary-designate Tom Ridge have to deliver and no blaming the unions or federal work rules if things don't work out. Making this department work is a monumental task, especially given how broken are some of its component agencies, such as the Immigration and Naturalization Service. The President deserves and will receive support from both parties in trying to make this work, but there is no question that he will be graded on the results and on his performance in 2004.

International Affairs. Perhaps the most surprising result of the election is not how much it strengthened the President at home, but how much it strengthened him overseas.

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When he went to the NATO summit in the wake of the election, he encountered foreign leaders who finally understood that he was not just tough, but shrewd and most importantly had the support of the American people, which they had questioned in the wake of the disputed 2000 election. Ministerial jokes now result in resignations.

Whether the President can convert the *respect* he has earned from foreign leaders into *results*, not just in the war on terrorism, but in peacekeeping, arms control, international financial management, and trade policy may just be the key to the 2004 election. ◆

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from the Beltway Sniper to the antics of Saddam Hussein, to the ability of members to go back to their districts to campaign without the hangover of any ugly annual spending battles, the Republicans were unobstructed in getting out their message and getting out the vote.

Third, Americans understand the difference between a wounded economy and a sick one. The economy was hurt by the terrorist attacks of September 11, by the spectacular bursting of the stock market bubble, and by high-profile accounting scandals. The American people knew that President Bush was, and is, doing a first-rate job in responding

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to and handling these injuries to the nation. Winston Churchill once said, "When you're going through hell, keep going." On Election Day, the American people voted their faith in the President and in his party to keep moving.

And finally, perhaps an ingredient that has been missing from American politics is beginning to return: character is back. President Bush is a man who lives his values instead of just dusting them off for photo opportunities. For the past eight years, character has been an issue that has largely been absent from the American political landscape and has for a long time befuddled the Democrats, who have chosen to define their party and political landscape with only narrow issue positions. The American people have missed what is right, true, certain, and decent; in short, they've missed character, and they found it in Pres-

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ident Bush and the candidates who follow his example. I believe it was the prodigal return of character that made the marginal difference for Republicans, and put the GOP over the goal line in almost all the close races in the process.

The midterms were a great success, but the champagne should be mostly shelved until 2004. The GOP should keep in mind that if midterm elections were completely accurate leading indicators of political fortunes, Bill Clinton would not have been reelected in 1996, two years after the wholesale slaughter of Democratic candidates at the polls. If the Republicans don't want to repeat history, they're going to have to continue to make their own. ◆