

“Live” with TAE

AFTER HELPING THE REPUBLICANS TAKE THE SENATE, COMBATIVE TEXAS SENATOR PHIL GRAMM SETS HIS SIGHTS ON THE WHITE HOUSE. AN EXCLUSIVE INTERVIEW.

Phil Gramm

After the smashing GOP success of November 8, which he helped engineer as head of the National Republican Senatorial Committee, Phil Gramm eschewed the usual waffling and coquetry and announced, in all but the legalistic jot and tittle sense, his candidacy for his party's 1996 presidential nomination.

William Philip Gramm, Georgia-born and bred, was a professor of economics at Texas A&M when he won election to the House of Representatives in 1978. Brainy, crafty, and purposeful, he led the Boll Weevils, Southern Democrats whose skepticism of social-welfare programs made them allies of Ronald Reagan.

In 1983, Congressman Gramm jumped to the Republican party, “riding my donkey off into the sunset following Jefferson.” In 1984 he rode on into the Senate, where he quickly made his mark as coauthor of the Gramm-Rudman-Hollings deficit reduction act.

Phil Gramm would be the first true college professor in the White House since Woodrow Wilson. (Professor Clinton of the University of Arkansas Law School doesn't really count.) Like most men who would be president, Gramm's life has recently become a blur of planes and money-raising and public appearances. The conclusion of this chat was conducted as the senator strode to a car that would carry him to the studios of CNN. The race is on.

This is the first in a series of TAE interviews with probable candidates for the presidency in 1996. Editors Bill Kauffman and Scott Walter pitched the questions.

TAE: You've been busy, haven't you?

SEN. GRAMM: Doing the Lord's work.

TAE: I was just down in San Antonio and went to the Alamo for the first time.

SEN. GRAMM: When I'm in San Antonio with any free time, I always go to the Alamo and I am always moved. All I've got to do is read William Barret Travis's letter on the wall.



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TAE: He ends it, “Victory or death,” underlined.

SEN. GRAMM: That's right.

TAE: Let's say that in 1996 a Republican president is elected, and the Congress stays Republican until the year 2000. Come the millennium, how will the scope, shape, and size of the U.S. government be changed?

SEN. GRAMM: Let me start with the 1994 elections, because I think they say something to this subject. I think the American voters in 1994 said two things: number one, they wanted the taxing, spending, and regulating, which has been the hallmark of the Clinton agenda, stopped; and they also said that they wanted to change the contract between the government and the people.

For 40 years, every time we've had a problem, real or imagined, we've ended up having government take more of our money, more of our freedom, and what we have gotten for all of that is a government that's bigger, that is more distant, and that is increasingly hostile. And I think in this election that people said very clearly they wanted their money back, they wanted their freedom back, and they wanted their country back.

I believe that our task between now and 1996 is trying to begin to implement that mandate. Obviously, what we can do is going to be limited by the fact that the person in the White House is for an agenda that clearly has the government going in the opposite direction.

TAE: You've said that balancing the budget is like going to heaven: everybody wants to do it; they just don't want to do what you have to do to make the trip.

What federal agencies, departments, or programs would you abolish?

SEN. GRAMM: I have often talked about the Dicky Flatt test: Is it worth taking money from Dicky Flatt—a printer in Mexia, Texas, I know who works hard for a living—in order to fund this program? If you apply the Dicky Flatt test, huge amounts of the American government do not stand up.

TAE: For instance?

SEN. GRAMM: The Department of Commerce. I think that other than accumulating statistics, which I believe is a legitimate government function, much of the activity of the Department of Commerce does not meet the Dicky Flatt test.

I think if you look at a range of subsidies to business, from direct loans through the Small Business Administration to subsidizing exports, I think many of those expenditures do not meet the Dicky Flatt test.

I think if you look at \$301 billion of social welfare spending at the federal and state level, we need a dramatic change in welfare with a mandatory work requirement in the private sector of the economy. We have to ask the people riding in the wagon to get out of the wagon and help the rest of us pull.

You have a huge number of programs that are very difficult to justify if your objective is to let working people keep more of what they earn.

TAE: Let's apply the Dicky Flatt test to foreign aid, in which there's always been a huge disagreement between the people who live in America and the people who run it. Does our foreign aid budget meet the Dicky Flatt test? And, in particular, does the largest chunk of it, the annual \$7 billion subsidy of Israel and Egypt, meet that test?

SEN. GRAMM: I think that some of it meets the test; some of it doesn't. I have always believed that our foreign policy should be focused on promoting America's interest and promoting objectives that we agree to in concert with people who share with us a commitment to democracy and to capitalism.

TAE: Can it be reduced, though?

SEN. GRAMM: I think the Middle East is a very important area. I think we have a big stake there, and that's always going to be reflected in our foreign aid budget. What I strongly object to in foreign aid is where we're spending money to promote economic systems abroad that we would never impose on ourselves; where we're spending money, as we are in Haiti—as much as \$3 billion now—propping up a regime whose leader says that American capitalism is a disease; and where we do not have a vital national interest.

TAE: Does that also apply to our interventions through organizations like the National Endowment for Democracy, whether it's in South African elections or Nicaraguan elections?

SEN. GRAMM: Well, it depends. I think the idea of trying to help people understand how democracy works is a good idea. I think trying to

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prop up various regimes and trying to be the world's policeman is a very bad idea.

In many ways, since the Second World War, we've been like a little rich kid in the middle of the slum with a big cake. People see the cake and want a piece of it. And we have not created a lot of love for ourselves by giving away little pieces when people thought they deserved the whole cake.

What we have to share is not the cake, but the recipe that we used to bake that cake. And I believe that that recipe is capitalism and democracy, and I think we ought to be relentlessly pursuing a foreign policy that encourages the development of capitalism and democracy around the world. And if nations are not practicing capitalism and democracy, then we ought not to underwrite their failure with the taxpayers' money.

TAE: How about college subsidies for the middle class? How much should those be scaled back?

SEN. GRAMM: I have always supported a revolving loan fund. I think that the biggest cost we have in the Guaranteed Student Loan program is defaults. The way to improve the program is to set standards whereby we assess the risk and the benefits.

If someone does not make a 700 on the SAT test, they can't play football at the University of Alabama. And the reason is the NCAA has decided that they're not real college students. And yet they can get a guaranteed student loan and borrow thousands of dollars from the taxpayers to go to a four-year university.

That makes no sense to me, and I think we ought to set academic standards for getting assistance. I'm willing to lend money to any good student who wants to borrow money to go to college, and who will pay it back.

TAE: What lessons should we draw from the Branch Davidian holocaust in Waco?

SEN. GRAMM: I don't think the Bureau of Alcohol, Tobacco, and Firearms should have ever been a law enforcement agency as such. It should be an investigative and a reporting agency. I think the FBI ought to be the federal law enforcement arm.

I think it is clear there that we had overzealous people who may have been more interested in publicity and in macho tactics than in reasonable procedures.

TAE: Should the Brady bill and the ban on so-called assault weapons and perhaps earlier gun control measures be repealed?

SEN. GRAMM: I think that we have lost our last gun vote of this century. I think the American people are not willing to give up any further Second Amendment rights.

I think that if we continue to make progress we will be able to elect a Congress and a president who will understand that criminals are the problem, not guns. I'd like to have an instant-check system such as the one in Virginia so we don't disrupt the ability of law-abiding citizens to buy guns—with minimum mandatory sentencing for people who are not eligible to buy firearms who try to buy them.

TAE: You're a big promoter of welfare reform. America sent 18-year-old boys halfway around the world to risk their lives and lose them after CNN showed starving Somalians. If CNN starts showing starving Americans in Harlem and Brownsville, will the country follow through with welfare reform?

SEN. GRAMM: There's no doubt about the fact that there are a huge number of people—both those who are riding in the wagon and those who are steering the wagon—who are going to scream very loudly when the people who are pulling the wagon ask them to get out and help pull. Every horror story which can be conjured up by the human mind—and the human mind is a very fertile device—will be used to try to explain that the world is going to come to an end if people actually have to work. And it's going to test our courage and our resolve.

If the debate were simply about \$301 billion a year, I think that we might not have sufficient courage or resolve. But the debate is about the lives of 40 million people and the squandering of those lives by a system that corrodes their values, by a system that destroys their incentives.

When my mama worked in a cotton mill, she earned more than \$28 a week; she earned self-respect. It made all the difference. So I think rather than saying I feel guilty about what we've done to the people riding in the wagon, let me state it in a positive way. It is because I love them that I want them to have the same opportunities that we've had. I intend to tear down the existing welfare system plank by plank and start the process over. No amount of criticism will ever deter me on this subject.

TAE: Well, tearing it down implies somebody's going to build something to help those people—

SEN. GRAMM: Well, no, wait a minute. We've already built something to help them. It's called America. The other day, the President was saying on television he's always thought government ought to empower people. Government does not empower people. Freedom empowers people.

TAE: Sure, but, presumably, some of those people will need at least some help to do that,

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and private charities will probably have to shoulder a big load, as they used to before government got into the business. So if government's getting out of the charity business, that means that private charities' efforts are going to be crucial. Have the Republicans failed to stress how much effort will be necessary in this area?

SEN. GRAMM: Private charities have played a big role in America. They have been crowded out by government programs in many cases. And I think it is a logical thing to change the tax laws to make it easier for people to help through private, charitable, religious organizations.

My own view is that if we change the incentive system we will change behavior, and if we're willing to stay with reforms, we will have millions of people who today do not believe that they are capable of self-sufficiency who will become self-sufficient. One of their children will probably become president.

I think there is an unlimited reservoir of human talent which is seldom tapped, and I'm eager to unleash it.

TAE: The passage of Proposition 187 in California probably augurs a crackdown on illegal immigration. What about legal immigration? Are the current levels too high, too low, about right?

SEN. GRAMM: I am a strong supporter of legal immigration. I think legal immigration brings new vision, new energy to the country. I am totally committed to gaining control of our borders and stopping illegal immigration. And if we've got to build a 20-foot high fence—

TAE: The Buchanan ditch?

SEN. GRAMM: I'm ready to dig a ditch if we have to dig a ditch. I don't want to dig ditches we don't need. I don't want to build fences we don't need. But I want to stop illegal immigration, and I'm committed to that.

I am not ready to take down the Statue of Liberty. We've got room in America, a lot of room for people who want to come work, who want to help build on the American dream. We do not have room for people who want to come live off the sweat of someone else's brow. I believe that states have the right to say that people who come to America illegally are not entitled to a certain range of state benefits.

TAE: Some demographers claim that by the year 2050 non-Hispanic whites will make up less than half of the population of the United States. Is this a prospect that should bother us at all, or are we racist if it does?

SEN. GRAMM: At the turn of the century, I'm sure that Americans of English ancestry were worried about what was going to happen in

America when Americans of German ancestry or southern European ancestry were required to shoulder positions of leadership.

I believe the miracle of America works on everybody. I am far more worried about the future of our country when I look at what government is doing to limit that future by limiting freedom than I would ever be worried about what ethnic groups make up America. It's not our skin or our blood, it's our hearts that make us Americans. And what is unique about America is that it is here that ordinary people, like you and me, have had more opportunity and more freedom than any other people who ever lived. And with that opportunity and with that freedom, ordinary people like us have been able to do extraordinary things.

If we can preserve freedom, we don't ever have to worry about what America's going to look like.

TAE: Your wife, Wendy, is a Korean-American. Within either of your families, were there ever any reservations about an interracial marriage?

SEN. GRAMM: It never was an issue. I mean, my wife is as American as apple pie. Our people came to America at roughly the same time, just from different parts of the world, but we came here for the same reason: looking for opportunity.

My wife's grandfather did not come to this country looking for a handout. He came here as an indentured laborer to work in the sugar cane fields in Hawaii because he was looking for freedom. And when he picked my wife's grandmother out of a picture book—we have the picture, one of our great possessions—and sent for her, she came here not looking for more government, not ever thinking anybody was ever going to guarantee her anything, but thinking that in America anything was possible. And it was.

My wife's grandfather was a laborer. Her father was the first Asian to become an officer in a sugar company in the history of Hawaii. And under President Reagan and President Bush, my wife was chairman of the Commodity Futures Trading Commission—and in that capacity she oversaw the trading of sugar cane futures.

Now, somebody who's going to try to tell me that America is unfair, that this is a country where ordinary people can't get ahead, they are absolutely wasting their breath, because it's a subject I have made up my mind on long ago. And on that subject, the subject of America, on opportunity and freedom, to me the facts are in.

TAE: In what respects are you a Georgian and in what respects are you a Texan?

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SEN. GRAMM: Well, I was born in Fort Benning, Georgia. My dad was a sergeant in the army, so I grew up in Georgia. When I got out of graduate school, I read the words of Horace Greeley: "Go west, young man, go west." Like most people who took Greeley's advice, it worked out.

TAE: Not long ago, military service was almost indispensable for running for president. Should it be?

SEN. GRAMM: I'm from a military family. My dad was a career soldier. My brother was a career soldier. I did not serve in the military. I was having another experience in teaching in Texas A&M at the time. I had a lot of students who served with great distinction in Vietnam. I was very proud of what they did.

TAE: Who's your favorite figure on the American Left, contemporary or historic?

SEN. GRAMM: I'd say Harry Truman.

TAE: He's on the Left?

SEN. GRAMM: Well, I mean, he vetoed Taft-Hartley. How far left do you mean? Do you mean Democrat?

TAE: It could be Eugene V. Debs, for all I know.

SEN. GRAMM: Well, I don't know. I've studied and admire so few leftists. I'm sure they're all good human beings. They're just wrong.

TAE: Do you attend church Sundays?

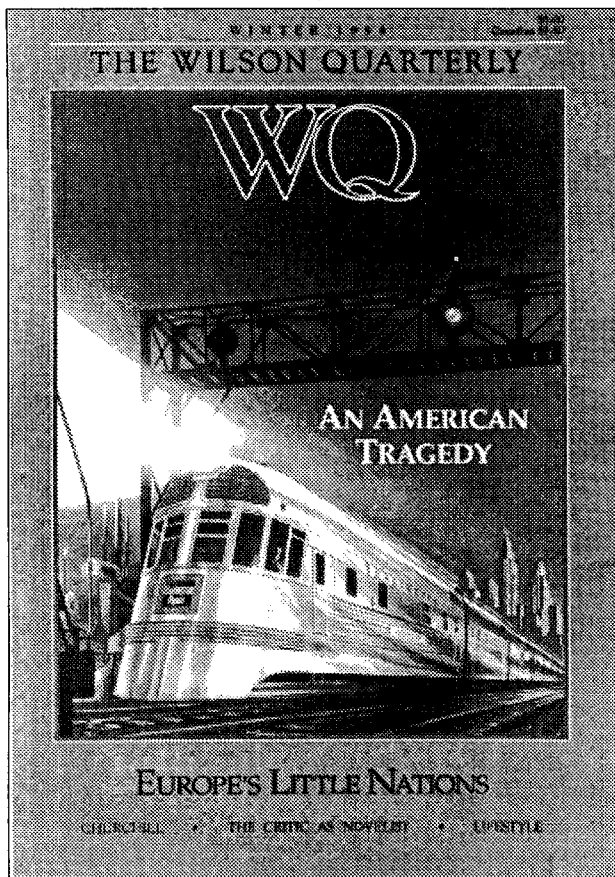
SEN. GRAMM: Sometimes I do, sometimes I don't.

TAE: Do you think God plays a role in temporal affairs? For instance, does He have a hand in who will be the next president of the United States? Or does He leave that up to us?

SEN. GRAMM: Well, I'm sure if He decided to do it, He could. I imagine He'll leave it up to us.

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