

ning of the economic competition with what was once the East Bloc, the mimicry in East Asia and even Latin America, Scandinavia, and Africa. Just a few weeks ago I sat in his Mexico City residence listening to President Carlos Salinas extol deregulation and tax-cutting. Clearly, I owe Madsen a drink. At least.

AND SO SOME cautionary observations: Congress and President Bush appear bent on repealing the Pirie Dynamic (and this is the only place you'll ever see that label), thereby returning our economy to 1970s-like stagnation and forfeiting the once-within-reach Republican majority. A serious recession here, moreover, could kill the Salinas Revolution to the south, with consequences for liberty in this hemisphere. In California, recessions having a way of churning up demagoguery, the Nader-Hayden-Rosenfield Left could push through some Luddite initiatives again, more ballot propositions seeking to abolish the laws of economics. Remember, the same voters who gave us the Jeffersonian Prop. 13 handed us the near-Leninist Prop. 103.

EVEN SO, IT turns out, for all the public agonizing over the length and tedium of the ballot, the 1990 election showed California voters to be remarkably, nay astonishingly, discriminating and savvy. Remembering Chicken Little, they thunderously rejected the Hayden-Hollywood exercise in Lysenkoism, Prop. 128. They clearly saw the difference between the good term limitation proposal and the bad one, the one that tried to sneak in taxpayer financing of

campaigns. They understood, finally, that all those apple-pie bond issues would have to be paid for eventually. The Other Side is in one hellacious funk.

Did you notice how they — Willie Brown, the permanent government, the lobby lobby — said Prop. 140 would deny the people the right to make political choices, choices that haven't made much difference recently? Funny enough, on Nov. 7 they started talking about how the initiative process would have to be reformed. Sure I'll continue to grouse about democratic majoritarianism, participating thereby in a grand American tradition, but these guys mean to demolish democratic principles any way they can.

SO LET'S STRATEGIZE. Let's revive the Pirie Dynamic and focus creatively on the initiative process. Let's do some winnable things (for starters, we can stop running Libertarian Party candidates for heaven's sake) like: an initiative to reinforce the U.S. Constitution's takings clause or one to restore life to the constitutional concept of not impairing contracts; an initiative that, despite the Oregon failure, returns choice to schooling; an initiative to encourage free-market environmentalism, perhaps using the successful earthquake preparedness measure as an example.

Then the question will be: Is it moral for a majority to vote for, as if it had the right to grant, human liberty? I can live with that.

The Election and Business

WHILE ANALYSTS DETERMINE the *whys* of November's election, California business is looking at the *results* and their probable impact on declining business and economic climates. Here are initial impressions from one California employer.

Though the public is said to be sick of politicians, voters reelected their *own* representatives in

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most cases so we can expect business as usual — actions that hurt business — when the Legislature returns. But thanks to Prop. 140, the clock is running on the *time* legislators hold office which should mean the current flood of anti-business legislation will not last forever. Also, Pete Wilson is far more likely to veto anti-business laws than Dianne Feinstein *and* more likely to veto a new gerrymander.

Regrettably, California may be in for at least four more years of friction — downright hostility in

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California in the '90s

many cases — between the Legislature and the governor. Wilson is more pragmatic than George Deukmejian, but many legislators feel he committed an unpardonable crime by favoring term limits. This could affect his ability to stem the flood of business-crippling overkill legislation including, prominently, environmental law, an area that will require every ounce of Wilson's skill and will remain a high priority for business.

The decisive defeat of Prop. 128 — which would have devastated large blocs of the state's

economy — is a tribute to the voters and to California business leaders who had the courage to oppose an environmental initiative that apparently began with 70 percent voter support.

BUT KILLING 128 does not kill legitimate environmental concerns. It did too much at too much cost. The sheer weight, number, complexity, and cost of the 28 ballot measures probably got it many "no" votes that really were votes against the initiative process. Business cannot count on this happening again.

We must now take the lead in practical programs for resolving environmental problems, not only reducing and eliminating waste streams and converting to non-polluting processes in our own companies, but also in cooperation with friends and competitors at home and abroad.

It is essential that California business not misread the will of the people. The leadership and most members of the Legislature did so and were rewarded with Prop. 140. California's economic future depends on business avoiding that mistake.

Let's Hear It For Representative Government

I NEVER IMAGINED until recently that it would be necessary for me in these United States of America to argue in favor of representative government. Yet the coincidence of over-reliance on constitutional referenda in Cali-

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fornia with approval of limits on the terms legislators can serve shows that we-the-people have lost our political moorings.

Both the politicians and the people are to blame. Faced with difficult choices, it is all too easy to pass the buck by paying petition-gatherers to put the matter to a vote of the people who will then have nobody to blame but themselves for the havoc they have wrought. Those who know that their ideas would never pass muster in deliberative discussion now have the option of asking

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the voters to decide poorly-posed questions.

We-the-voters are by no means innocent bystanders. Democracy depends on our exercising our intelligence. No form of government is tamper-proof by its own citizens. An electorate that would vote itself a substantial decrease in automobile insurance reveals a woeful misunderstanding of the market economy. Why not vote to reduce the price of tomatoes?

Term limits are unnecessary, in a manner of speaking, because we've already undermined our Legislature. Wasn't it a wonderful idea to guarantee elementary education a fixed portion of the budget? And clever to require another portion for welfare? Wasn't it superbly smart to put all sorts of other expenditures into the Constitution so there is so little resource allocation left for our Legislature to do?

WE DID SHOW good sense in rejecting, 2-to-1, Prop. 128, known as Big Green. No doubt the green pallor was chosen to show us what we would look like when we realized that the

provisions on pesticides would make us not only poorer but also sicker, all in the name of health.

WHY SICKER? Imposing huge costs on agriculture would raise the price of food thereby preventing more citizens from eating a more adequate and more balanced diet. A lower standard of living means a lower level of health and safety. Why, we should ask ourselves, did anyone feel it worthwhile to try out a ridiculous proposal to get rid of a nonexistent evil (most food has no pesticide residues and those that do exist are so small in comparison to what nature does that in all likelihood their health effects are zero)?

Two things need to be done: representative government has to be re-established so politicians are free to do the job that they can do better than the citizenry — make the laws and allocate resources — and citizens need to exercise their influence to do the things (like voting better people and propositions in and worse politicians and awful propositions out) that only they can do.