

SOPHOMORE SLUMP

Mid-Term Grades for the Bush Administration

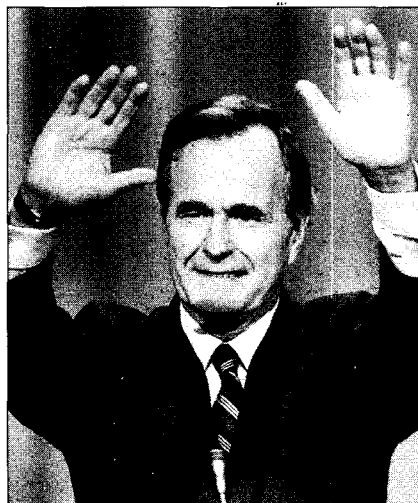
MARTIN ANDERSON, GARY L. BAUER, MARK BLITZ, EDWARD H. CRANE,
JAMES C. MILLER III, AMY MORITZ, BURTON YALE PINES

In November 1990, *Policy Review* asked a number of conservative leaders to offer mid-term grades and evaluations of President George Bush and several White House officials and cabinet members. Evaluations were received from Martin Anderson, senior fellow of the Hoover Institution and White House domestic policy adviser 1981-82; Gary L. Bauer, president of Family Research Council and White House domestic policy adviser 1987-88; Mark Blitz, director of political and social studies at the Hudson Institute; Edward H. Crane, president of the libertarian Cato Institute; James C. Miller III, chairman of Citizens for a Sound Economy and director of the Office of Management and Budget 1985-88; Amy Moritz, president of the National Center for Public Policy Research; and Burton Yale Pines, senior vice president at The Heritage Foundation and associate publisher of this magazine.

B- ANDERSON: A potential “A” president, his mid-term grade is pulled way down by a surprisingly poor performance on budget and economic policy. He easily scored high on defense, foreign policy, and most domestic issues, but he studied with the wrong friends—Brady, Darman, and Sununu—before the big budget test this fall, which he flunked. In the extracurricular activity of politics he has been somewhat clumsy of foot, signing a major income tax-increase bill just before the off-term elections. Well, the final exam is not until November 1992, and with a change in economic tutors he could still graduate *summa cum laude*. [This is an overall grade, combining domestic and foreign policy.]

C BAUER: Although Bush gets a “C” overall, he receives an “A+” for the personal example he sets for family life and concern for children. The symbolic value of a First Family that is truly a functional family should not be underestimated. Furthermore, having

PRESIDENT OF THE UNITED STATES



George Bush
Domestic Policy

worked with George Bush at the Republican National Committee in the '70s, I know first-hand what a decent man he is. It does not surprise me at all that so many

people show such a strong personal loyalty to him.

A “B” on the abortion issue. His vetoes have been stalwart and courageous. However, one cannot believe that the “big tent” rhetoric that was being pushed by the RNC early in 1990 came down without the president’s approval. Whatever its intent, that rhetoric was a big kick in the teeth to pro-lifers. So, on the whole the grade is high, but not the highest. (Souter’s performance will bust the curve on this one, one way or another.)

A “D” on other social issues. This president twice invited gay activists to White House ceremonies; gave support to an unrestricted National Endowment for the Arts, showing no understanding of the difference between censorship and sponsorship; and signed off on tax increases for American families.

C BLITZ: Although the president is not living up to conservatives’ wishes, he is still much better than Governor Dukakis would have been. He cer-

tainly deserves credit for his veto of a quota bill that was masquerading as a civil-rights measure, and for securing some reasonable improvements to the worst versions of the Clean Air legislation. But he has done nothing significant to cut spending, despite the golden opportunity offered by his tax pledge. Nor has he advanced regulatory reform, despite his experience under President Reagan. His interest in voluntarism makes clear that he believes that American citizenship means more than selfish materialism. But he has not found either the rhetoric or the policies to help reestablish the proper combination of self-reliance and patriotism. The Souter nomination is emblematic of the Bush presidency so far: he is much better than anyone Dukakis would have selected, but not as good a nominee as several others that President Bush could have chosen.

F CRANE: George Bush will go down as one of the worst presidents in American history. He is paradigmatic proof of Ronald Reagan's disdain for the appointments process. As should have been obvious from the start, Bush wouldn't recognize a political principle if he were to trip over one.

What was less obvious is that his political judgment is so flawed he willingly and for no reason gave away the one major advantage his party had over the other guys. The Republicans were the anti-tax party and are now the dumb party. President Bush cheerfully led his troops away from tax cuts and into Clean Air Act environmental psychobabble at precisely the time voters were starting a tax revolt and telling the Greenies to put a cork in it.

Well, the Republicans get what they deserve. During the Republican primary debate in Dallas, Bush was the only candidate, when asked whether government was the problem or the solution, to embrace Leviathan. I'm a creature of government, he enthused. Read my lips:

we'd have been a lot better off if George Bush had written speeches for President Noonan.

D MILLER: Inattention to regulatory problems, evidenced by the atrophy of OMB's Office of Information and Regulatory Affairs and the appointment of zealous regulators, has resulted in a regulatory binge that is partly responsible for the current economic downturn. Although the president has been courageous and effective in vetoing some congressional regulatory efforts (for example, parental/medical leave), he has encouraged others that will produce little in the way of identifiable benefits and will lead to enormous waste (specifically, the Clean Air Act).

More important is Bush's incredible blunder in renouncing his no-new-taxes pledge. His credibility has suffered a mortal blow: can he promise anything in the 1992 campaign without evoking giggles from the audience? The ensuing budget deal is a disaster: the biggest tax increase in history will serve only to finance increased spending. And the political fallout is just beginning. Even more important is the lack of specificity in the administration's domestic policy. For what does it stand?

D MORITZ: A leader may be successful, and he will always be respected, if he pursues, with conviction, what he believes to be right. A leader can never be successful, and will not be respected, if he lacks conviction and will not define "right." The latter is the essence of the crisis of the Bush presidency.

"Stay the Course" was President Reagan's slogan. "Where's the Course?" is fitting for Mr. Bush. President Reagan believed in great principles and had the confidence to assert them; President Bush lacks both belief and confidence.

Leading a nation requires more than intelligence, experience, and a knowledge of the workings of government. Much has been made of President Bush's *noblesse oblige* belief in service to the people. If the president truly believes that an individual should place his own interests below those of the community, he should reassess the unique challenges of his office and whether he is suited, by temperament, to meet these challenges. If he is, and will do so, all the better. But, if he cannot, there is no disgrace—indeed, it would be a matter of high principle—for the president to conclude that he should not be a candidate for reelection in 1992.

D PINES: The president descended into what looks like a classic sophomore slump as he seems to have forgotten why he was elected president. Made dizzy, perhaps, by his once-soaring popularity, distracted, perhaps, by the glitter of foreign policy and the eagerness of foreign leaders to take his phone calls, and blinded, perhaps, by the pomp and ceremonies of office, he seems to ignore domestic issues. At best, he is reactive. At worst, he risks being a Herbert Hoover/William Howard Taft one-term president. His high-tax-and-high-spending-and-high-regulation policies are sabotaging economic growth, destroying jobs, and permitting government to expand faster than at any time in a decade. His once-fine words about education and environmental policy are allowed to be torpedoed completely by the bureaucracy. And his surrounding himself with a praetorian wall of senior aides shields him from the courageous but faint voices of friends inside and outside the White House daring to tell him that he has no clothes and that the Democrats, with whom he beamingly poses for photographers, are making a national fool of him.

George Bush

Foreign Policy

I BLITZ: Incomplete, pending the outcome in the Gulf. The president has managed many individual situations well, but he has still not sufficiently thought through his strategic direction. In Eastern Europe and the Soviet Union, for example, it is hard to see how he could have done much better. Events there had more to do with Havel, Walesa, Reagan, and Gorbachev than they did with Bush, but the president did not make things worse. He correctly realized that there was little we could do to slow down the reunification of Germany, and that what is important now is to help the Germans develop responsibly and to keep a reasonable number of American troops in Europe as a stabilizing force. The president's response to Iraq's aggression in the Gulf has been able so far, with one exception: he needs to prepare the American people better for war, if he thinks that war will be necessary. He also needs to consider carefully what a friendly and politically sensible Middle East policy should look like once Iraq's aggression has been overcome. It is not clear that he has yet done this. He also apparently lacks a sound sense of what our policy should be toward China, Japan, and much of the Third World. In general, the president needs to discuss and consider more carefully the concrete balance between nationalism and internationalism, and democracy and self-interest, that should animate our policies. Otherwise he will fall prey to lurching between misplaced realpolitik (e.g., China) and dangerous abstractions (e.g., the New World Order).

F CRANE: After a good start in which he resisted zealous right-wing lobbying and opted to let events in Eastern Europe unfold on their own, Bush's foreign policy has unraveled like a cheap Russian sweater. His dangerous and costly vision of a New World Order foresees a United

States meddling in the affairs of virtually every nation in the world, through covert action, occasional military intervention, and foreign aid bribes. His cheerleading for an increased role for the IMF, World Bank, and United Nations is nothing but bad news for the Third World (not to mention American taxpayers).

But sending U.S. troops to the Middle East has to qualify as the worst foreign policy blunder since Vietnam. It's not surprising that the economic wizards at the CIA (those crack economists who put the Soviet GNP at 65 percent of ours) are reported to have convinced Bush of the economic necessity of sending in the troops. It turns out, however, that oil is a fungible commodity.

But this war is not going to be about oil, it's going to be about making the world safe for...for what? For feudal polygamous hereditary despots? The president, in his I-am-not-a-wimp haste to rationalize the \$300-billion military-industrial complex in a post-Cold War world, has put himself between a rock and a hard spot. We can only hope that he has the courage to lose face instead of losing thousands of young lives.

B+ MILLER: Give Bush his due for helping to fashion the Reagan-Bush program of national security in the 1980s—a policy that *enabled* the heralded reforms in Eastern Europe and the worldwide repudiation of socialism. Moreover, he has played these reforms just about right—avoiding the temptation to take too much credit, while at the same time being fully supportive. The administration is inclined to bail out former Communist regimes too quickly, and Bush's cozying up to the Chinese so soon after Tiananmen Square sent the wrong signal. But on the whole Bush has proved to be an exceptionally capable statesman.

With respect to military initiatives, Bush's invasion of Panama was warranted and was carried out with

precision. However, he was also lucky: can you imagine the public outcry if Noriega were still on the loose and U.S. troops were still looking for him?

Overall, the president's response to the Iraqi invasion was appropriate, given the circumstances. And he has been masterful in orchestrating international condemnation of Saddam Hussein. However, U.S. leaders did not convey adequately to the Iraqi leader the likely repercussions of his invasion of Kuwait, and in that sense our Middle East policy failed. Moreover, the president (perhaps distracted by the budget mess and the election) has failed to marshal the domestic support he needs to see this conflict through. One reason is that his early rationale for military action was misdirected. The loss of Saudi/Kuwaiti oil would not raise the global price of crude by very much. Rather than a need to carry out the largest antitrust intervention in history, the appropriate rationale is that of containing and subjugating a Middle East madman who, if left unchecked, could cause all manner of evil in the region.

C+ PINES: He is the quintessential general manager, which is not the same as a leader. Explains the details of what he is doing, but fails to provide the vision and sense of purpose that inform Americans and foreigners where he is trying to take the nation. Worse, he has yet to task his administration with defining America's role in the post-Cold War world. Although he manages crises well, he does little—as with Iraq's invasion of Kuwait—to prevent them. Dangerous too is his extraordinary reliance on his personal relations with Gorbachev, blinding Bush to the importance of the USSR's increasingly independent republics. At press time, the jury was out on the Persian Gulf crisis. Bush's grade will plummet if, in spring 1991, American troops are still baking in the desert or if he botches an attack on Iraq; he would have his "A" if he drives the Iraqis out of Kuwait and destroys Iraq's ability to wage war.

VICE PRESIDENT OF THE UNITED STATES



Dan Quayle

A **ANDERSON:** The grade is for *vice president*, and at that Quayle is doing an excellent job. All modern grading is on a curve. Compared with Mondale, Ford, Rockefeller, Agnew, Humphrey, and LBJ, Quayle is one of the best of the litter. He has the advantage of extraordinarily low expectations, but so far he has done his job flawlessly. How many serious Quayle gaffes can you think of? He has been especially strong on national defense, championing the crucial Brilliant Pebbles portion of SDI, and there are reports that he was one of the few strong voices privately urging President Bush to say "no" to the budget broccoli his key courtiers served up to him.

A **BAUER:** The vice president has shown a stout heart in facing up to press ridicule; many politicians would have gone to hide in a corner. He has been a strong advocate of social conservative views within the administration, and in many of his speeches. Last but not least, he has shown himself to be highly gifted in choosing staff. Many conservatives fall on their faces in this area; Quayle, on the other hand, has surrounded himself with intelligent and dedicated conservatives.

B+ **BLITZ:** Loyal, as he should be, to President Bush, Vice President Quayle has also done the right things for the Republican Party, and has pushed the administration in a sound direction on practically every policy without stepping over the edge into

outright opposition. This is difficult to do, and the vice president has done an important service by making a good conservative case on many issues while still retaining his influence with the president. But he is still unable to shake the public notion that he is not a reasonable successor for president, and until he does so, his vice presidency cannot be completely successful.

D+ **CRANE:** The vice president has proven to be a loyal team player, which would be okay were it not for the fact that he's playing on the Bush administration team. He seems to have completely forgotten his pro-market, anti-tax roots that made him a positive force in the Senate. In the past year he has lobbied against tax cuts (the Moynihan payroll rate reduction) and for tax increases (as a principal cheerleader for the Bush budget lemon). His effort to smear anti-Middle-East-war Republicans is intellectually dishonest.

On the positive side, Quayle has been sound in supporting education tax credits and the civil rights (read: quota) bill veto. His support of term limitations is commendable, but the ham-fisted manner in which he and Bush turned it into a partisan issue in California almost led to the defeat of the otherwise overwhelmingly popular Proposition 140.

B **MILLER:** On the whole, the vice president has been correct on policy—at least if press reports of his privately articulated views are correct. He has prompted a longer-term view of the economy and has provided leadership in the areas of science and technology. He has also urged the president to take a more aggressive, and more partisan, approach to dealing with Congress' over the budget. Had Bush listened to Quayle, the budget fiasco could have been avoided.

On the other hand, Quayle has failed to exert the necessary leadership to roll back excessive regulations—part of his responsibility as chairman of the Council on Competitiveness. More important, he has failed to overcome the widespread impression that he is shallow and

unprepared for the job of president. Despite a demonstrated competence and effectiveness as a congressman, a senator, and a vice president, his record is still a light under a bushel. He needs to adopt a more serious tone, a more patrician bearing, and a more forthright demeanor when dealing with the press and on TV. And he should do more to publicize his fine work in support of such causes as term limitations and educational choice.

A- **MORITZ:** His unheeded recommendation that the administration should take a more confrontational stance toward the Democrats on spending policy was right on target. He has loyally advocated Bush's policies, but unlike most of the White House has done so without alienating the administration's natural allies or ceasing to be an effective advocate for conservative policies.

The media's preoccupation with assaulting Quayle has probably peaked. Throughout the Reagan years the Left and its media allies, frustrated at Reagan's "Teflon" cover, set up conservative straw men (such as Jim Watt, Ed Meese, and Robert Bork) to kick in Reagan's stead. Quayle-bashing was a continuation of this effective political tactic. But, as Bush has aptly demonstrated that he is no "Teflon president," the tactic is no longer quite so necessary and Quayle will probably soon be let off the hook.

A **PINES:** Quayle has made continual improvement, as he acts and looks increasingly presidential. High points for having the good sense and courage to speak up at cabinet meetings and privately to the president against the Darman-Sununu budget of tax and spending increases. Points too for reinvigorating the Council on Competitiveness, for backing policies to give working-class Americans the means to choose schools for their children, for questioning the conventional wisdom on space policy, for strongly supporting the Strategic Defense Initiative, and for performing skillfully during his tours of Australia, Japan, and Thailand.

CHIEF OF STAFF



John Sununu

D **ANDERSON:** There must be something in that big corner office in the West Wing that drives men mad when they become chief of staff to the president of the United States. Donald Regan was a great Secretary of the Treasury until he started walking on those red carpets. Hamilton Jordan was a brilliant campaign strategist until he put his feet up and noticed that he had a fireplace. Robert Haldeman was a decent human being, both before and after the time he was chief of staff for Richard Nixon. With the exception of James Baker and Richard Cheney, all former chiefs of

staff within our memory have either left the job in ignominy or vanished soon after their time was over. Sununu's sins were going along with a tax increase that broke the president's pledge (something Sununu did not do when he was governor of New Hampshire) and, most important, not ensuring that the president he served was given the widest array of options and advice on the deadly "third rail" of American politics—tax increases.

C **BAUER:** We had hoped to make this grade higher, because of his role in making sure that the anti-family impact of the budget deal was minimized, and in putting through an important pro-family reform, the Supplementary Young Child Credit. We give him tremendous credit for viewing pro-family advocates as legitimate participants in the debate. However, he seems not to have snapped out of the pit-bull mode that he adopted during the budget fight. Unless he drops his Simon Legree attitude toward conservative Republican congressmen, he will become a liability to the president, rather than the asset he has been until recently.

B **BLITZ:** As best one can tell, Sununu remains on the right side of most issues, and without his sitting there, things would be worse. There are two exceptions. He did not pay enough attention to the politics of the budget summit, especially to its effect on other Republicans. He should have done this, especially because he gave himself responsibility for political operations. As for the administration's budget stance, either he lost the battles on taxes and spending and he became too eager a convert, or he did not fight them very hard to begin with. Knowing the drift of Darman, Brady, and President Bush himself, Sununu should have brought in some strong, independent people to help him fight.

F **CRANE:** It is a commonplace inside the Beltway that corporate lobbyists spend more time lobbying the corporate headquarters to go along with deals they've struck with congressional staffs than they do lobbying the staffs on behalf of the corporation. And so it goes with the key conservative in the Bush ad-

A **ANDERSON:** Panama liberated. The Soviets out of Afghanistan. The Berlin Wall down. A standoff—so far—with Saddam Hussein. Germany reunited while NATO stayed united. Communism/socialism still collapsing. The Soviet Union disintegrating into a bunch of capitalist republics. The United States now clearly the dominant nation in the world. Not bad for a country boy from Texas (and Princeton). Sure, he didn't do it all by himself and most of it he inherited from Reagan and Shultz. But, for eight long years Baker was a major player in the developments that made all this possible—the unprecedented economic expansion and the buildup of our national defenses in the 1980s. And most of this time he worked closely with then-Vice President Bush. So far, Baker has given Bush the options, strategies, and counsel in foreign policy that have been missing on the

budget and economic policy side. Virtuoso performance.

I **BLITZ:** Incomplete, pending the outcome in the Gulf. Secretary Baker has performed competently, but not outstandingly. His impressive negotiating and tactical skills have not deserted him, and "diplomacy," after all, is a large part of his job. But it is not all of his job. He still sometimes acts in ways typical of an inside operative talking to reporters—denying responsibility for Ambassador Glaspie's speaking inappropriately to Saddam Hussein or claiming that the purpose of our Gulf policy is "jobs"—and forgets that he is a public figure who must win public consent and inspire public confidence. More fundamentally, he still does not appear to be guided by any concrete sense of what he would like the world abroad to look like by the end of his service.

F **CRANE:** Sorry, but anyone associated with the "Sand-trap War" flunks. Baker's bullying of our allies and Arab nations in an effort to create a Potemkin village military coalition in Saudi Arabia will only earn the United States enmity down the road. And this from a man on whose watch Saddam was given the green light to invade Kuwait.

To make matters worse, Baker, whose political convictions are of the same strength and intensity as those held by George Bush, is rather openly running for president. His recent appeals to the Religious Right are nothing if not amusing.

F **MORITZ:** What some administration wag said of the Bush White House also applies aptly to the Baker State Department: "tactics is strategy" and "the long term means 11 o'clock tonight." The Baker policy seems to

ministration. Sununu doesn't represent conservative views to the administration. He sells the administration's blunders to conservatives, and runs the White House as if his only goal each day were to elicit a favorable headline from the *Washington Post*. Sununu is, in effect, the administration's conservative sterile fruit fly. He should try out his tough guy routine on the big spenders in Congress instead of his friends.

C- MILLER: The chief of staff's policy views have been pretty much on target. Moreover, his opposition to congressional excesses and his masterful management of the legislative agenda have resulted in considerable successes.

However, Sununu was co-opted when the president agreed to a budget summit and renounced his no-new-taxes pledge. Choosing to support the president rather than resign, Sununu became an overzealous convert. He not only argued for a resolution of the budget impasse by cooperating with the congressional Democrats (at the critical

juncture where the president might have walked away from the deal with the support of House Republicans), he has so offended the administration's allies in Congress and the private sector (for example, he threatened to use a chain saw to sever a portion of the anatomy of one critic of the budget deal) that his effectiveness has been compromised.

D MORITZ: When President Bush takes aim at his own foot, Sununu brings in the heavy artillery. It is clear that Sununu knows better than to believe that no one can govern successfully without adhering to an overall philosophy; the \$140 billion question is, why has Sununu ignored this and instead been an aggressive part of the problem?

Bush needs a far greater sense of why he wants to govern. Sununu is intellectually and philosophically equipped to help him develop it. He should do so. And he should re-aim his artillery: not at his old and trustworthy friends, but at the deceitful Left.

F PINES: After an "A-" first year, this once fiercely independent New Englander has become the Patty Hearst of the Bush administration, meekly surrendering to and becoming an eager captive of Washington's permanent establishment. So doing, he champions ever-bigger government requiring ever-higher taxes and ever-greater spending. He has inflicted on the White House a mandatory Orwellian newspeak that transforms spending hikes into cuts, deficit increases into reductions, legislative defeats into victories, loss of GOP congressional seats into gains, Democratic enemies into allies, and conservative friends into enemies. Not since Edith Wilson blocked all access to her husband Woodrow has anyone so quickly and hermetically insulated a president from the outside world of reality. His 11th-hour push to make Bill Bennett head of the GOP would have prevented his flunking altogether; but he failed at this, too.

SECRETARY OF STATE



James A. Baker III

be: never prevent a problem today when you can solve it later. This is fine for dealing with garden weeds but incalculably dangerous for dealing with international conflict. So far, Baker has survived, only through luck, the kind of criticism that results in forced resignation. But "keeping one's fingers crossed" is not an acceptable approach for a

Secretary of State.

Baker has surrounded himself with aides who share his strong points and his weak points. This is the hallmark of a man who is more concerned about appearing to be a star than about doing a good job. Baker thus earns the "minus" on his "F"—if there can be anything worse than failing utterly, it is failing without even having good intentions.

C- PINES: Baker does well with his American Hemisphere initiatives, particularly the Mexican free trade area, and with policies toward Tokyo, Seoul, and Beijing. Dragging down his overall performance is his policy toward Moscow, where he makes himself the Siamese twin of Soviet Foreign Minister Shevardnadze and appears to want to "save Gorbachev at all costs," thus ignoring (and offending) the emerging independent republics within the USSR. Baker

also gets demerits for seeking a Middle East international peace conference, for pandering to New Zealand's anti-American regime, and for caving in to Moscow's pressure for massive concessions at the START strategic arms talks. He is very tardy, moreover, with a blueprint for post-Cold War American foreign policy, thus leaving the State Department with little sense of what American global interests are and how they are to be advanced.

F ANDERSON: Just goes to prove you should never study from your best friend's notes just because he is your best friend. Better to study with a wise enemy. Nicholas Brady, as Secretary of the Treasury, is and must be the dominant voice when it comes to giving advice on tax matters to the president. It is hard for a president to overrule his Treasury Secretary's counsel on taxes, even harder when he is an old friend. Brady's understanding of economic policy is limited, and his advice on tax policy has been disastrous—to the nation, to President Bush, and to the Republican Party. Time to go back to Wall Street.

C BLITZ: It is hard to think of anything especially useful that Secretary Brady has done in fiscal policy, the savings and loan crisis, or international economic relations. The administration needs some stronger people for these subjects.

C-CRANE: Mr. Bush's chief flack for higher taxes possesses a depth of understanding of the issues he addresses that is wholly appropriate for the administration's representative from *Bonfire of the Vanities*. He continues to bash

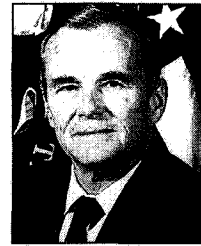
the true free-marketeers from Chicago on behalf of his blue-blooded pals on Wall Street. Brady also will be leading the charge to increase U.S. contributions to the nefarious World Bank and International Monetary Fund. His refusal to cite federal deposit insurance as the chief culprit in the savings and loan debacle puts him at odds with every think tank in town.

Treasury should be in the forefront of efforts to demonstrate the need for tax cuts. Instead, Brady has caved in to the Bush/*Washington Post* obsession with the deficit and signed off on the naive (if not downright stupid) view that higher taxes will reduce the deficit rather than simply increase spending.

Nevertheless, key members of Brady's staff have recently convinced him to propose a sweeping repeal of Depression-era banking regulations, which gains the Secretary a good grade by Bush cabinet standards.

D PINES: Brady must share major blame for the budget catastrophe. Ostensibly as the administration's chief officer for economic matters and as George Bush's great personal friend, he could have forced the president at least to confront the facts, privately confirmed by just about every

SECRETARY OF THE TREASURY



Nicholas F. Brady

Treasury official, that the Democratic budget deal promoted by Darman and Sununu not only raises taxes, but also spends every new tax dollar on new programs, leaving nothing for deficit reduction. He also early should have proposed a program of tax cuts to head off or shorten the impending recession and to reduce the tax code's penalties on savings and investment. Curiously, he also backs a tax on stock transactions, a measure designed to drive stock trading to London, Frankfurt, and Tokyo. What prevents Brady from flunking altogether is Treasury's good work on the U.S.-Mexico free trade area talks.

SECRETARY OF COMMERCE



Robert A. Mosbacher

C BLITZ: He is more visible than some of his predecessors, but so what? This is a department whose secretary should be pushing for ways to cut back programs, and exploring how to

make radical budget cuts work. On the plus side, it is good that we are not hearing much of Secretary Mosbacher's national industrial policy views any more.

D CRANE: Mosbacher has for the most part avoided the chronic tendency of his department to promote national industrial policies under a variety of innovative euphemisms. His recent trip to Moscow with CEOs of major corporations, however, demonstrates the dangers inherent in having a Department of Commerce. Businessmen should strike their own deals without subsidies, guarantees, or diplomatic arrangements promised by the secretary and underwritten by the American taxpayer.

B-PINES: Demonstrates steady improvement. If he accomplishes nothing else, Mosbacher will warrant history's praise for his advocacy of a U.S.-Mexico free trade area agreement and for his travels throughout the U.S. and Mexico campaigning for this. Also earns points for what is believed to have been his opposition to the Darman-Sununu tax-and-spend budget package and for pushing to ease antitrust law restrictions on joint research ventures by American firms, which will allow them to compete with foreign research behemoths. Needs to do much more, however, to design a blueprint for such free-market reforms as further deregulation and free trade, which will bolster America's competitiveness.

A **ANDERSON:** A Secretary of Defense has a clear-cut job: just help the president keep our nation safe and secure. In a time of crumbling Berlin Walls and bilateral nuclear disarmament and cries of "peace dividend," Cheney has done a masterful job of keeping our national defenses strong with a real margin of safety. The U.S. military buildup in the Persian Gulf has been remarkably swift and professional. Spending reductions in defense are now inevitable, but they must be done with caution and due diligence. So far Cheney has done this brilliantly.

A- **BLITZ:** Cheney has held on to defense dollars at a time when it has been very important and difficult to do so. He has been effective working with the president in using force (Panama) or displaying force (the Gulf) when necessary. He has maintained a commitment to strategic defense. On the negative side, there is no clear sense yet that Secretary Cheney has thought through what our force structure, deployments, or defense strategy should look like in the long

SECRETARY OF DEFENSE



Richard B. Cheney

term. But this may come soon enough.

F **CRANE:** Cheney is the biggest disappointment in the Bush cabinet. An intelligent man of integrity who one might have hoped would have challenged the Pentagon's predictable effort to hang on to its \$300-billion budget despite the end of the Cold War, he has instead turned into a leading theorist on why we still need it. His support for sending 400,000 troops in harm's way to settle a 3,000-year-old feud is inexcusable. Cheney

could have and should have stopped the insanity in the Middle East by resigning from office, rather than support a military intervention unrelated to the national security of the United States.

B **PINES:** Cheney gets high praise for his near-flawless and unprecedented rapid dispatch of the several hundred thousand GIs to the Persian Gulf, for braking Secretary of State Baker's penchant to give Moscow nearly whatever it wants on arms control, and for his public skepticism about the likely success of Gorbachev's policies and the longevity of Gorbachev's reign. He loses points for failing to press for even minimally adequate funding for the Strategic Defense Initiative, for failing to curb the narrow bureaucratic interests of the individual services, and for failing to submit even a rudimentary sketch of how the Pentagon is to be reshaped to confront the post-Cold War threats, which differ considerably from those of the Cold War.

B **ANDERSON:** After a bit of a wobbly start and some staff problems, Thornburgh seems to be steadily mastering his field. Individual rights are still more widespread and better protected in the United States than in any other country in the world. If Thornburgh continues to show steady improvement he could easily end up this term with an "A."

D **CRANE:** The Justice Department's headlong rush to expand the criminal law into areas that America's judicial tradition has heretofore correctly placed in the civil arena is just one reason to be disappointed with the attorney general. The lust to jail white-collar "criminals" is defended on such lofty jurisprudential principles as knowing sleaze when we see it. A victim of the futile crusade

against the illegal drug trade has been the civil liberties guaranteed us in the Constitution.

Under Thornburgh's watch the discredited rationales for antitrust prosecution have also been dusted off. On a more positive note, he has been correct in providing support for Bush's veto of the so-called civil-rights bill.

B **PINES:** After a rough first year, Thornburgh has improved somewhat. Deserves merit badges for recommending good judicial appointments. Made the sound, although politically unpopular, case against the excesses of the Kennedy civil-rights bill. Would earn a solid "A" if he instructed his staff to temper its near-maniac enforcement of antitrust laws in ways that seriously damage American competitiveness, and if he were to count

ATTORNEY GENERAL

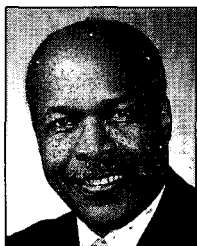


Dick Thornburgh

to 10 before making silly statements about turning his department loose to prosecute service stations that raise gasoline prices and about America's boardrooms that imply that they are dens of thieves.

B+ **BAUER:** While we might have preferred a more proven pro-family advocate for the crucial HHS slot, Secretary Sullivan has become an energetic spokesman for family values, especially as regards the black family. He has given slack to numerous excellent appointees. His donnybrook with Representative Pete Stark was a model of how independent-minded black leaders should react to liberal racism. HHS Secretaries, more perhaps than most cabinet officials (except, possibly, Secretaries of State), face intense pressure from their bureaucracies to turn left as soon as

SECRETARY OF HEALTH AND HUMAN SERVICES



Louis Sullivan

they reach town. Sullivan has not done so; indeed, he has even turned slightly right.

B- **BLITZ:** He has used his position to say several sensible things about health, and he is obviously better than, say, Margaret Heckler. But he has not yet forcefully made the case for across-the-board cost containment in entitlement programs, or even in HHS's non-entitlement programs. HHS is difficult to run. But it is conceivable that someone who knew health care and the Social Security system inside and out could achieve greater results.

D **CRANE:** As the head of the largest department in government, Sullivan has done little to reduce expenses, much less support much-needed privatization of Social Security and Medicare. He presumably signed off on the huge increase in Medicaid

D **CRANE:** The 1990 farm bill is only marginally better than the anti-market, pro-subsidy 1985 version. Nevertheless, it is clear that Yeutter wanted better. He has been leading the charge to get the Europeans to cut back on their agricultural subsidies, but in doing so has been too willing to impose the specter of trade retaliation. He's an oxymoronic "level-playing-field free-marketeer."

C- **PINES:** While admirably pressing in international negotiations for an end to foreign farm subsidies and for lower barriers to farm imports from America, he pretty much ignored what was happening on the home front. Here he did little to change the dreadful 1990 farm bill, acting as if he were a prisoner of the farm lobby. Disappointing too was his op-

SECRETARY OF AGRICULTURE



Clayton Yeutter

position to the sensible cuts in farm subsidies proposed by Representative Richard Armey. His grade would be higher had he merely used his powerful bully pulpit to pitch for an end to American farm subsidies and a freer American farm economy.

expenditures under the new budget agreement.

The intransigent refusal of the Food and Drug Administration to make experimental drugs in addition to AZT available to AIDS patients is both cruel and stupid, and is something Sullivan has the power to change. Sullivan does deserve kudos for taking on socialized medicine proponent Pete Stark in a manner that left Stark looking like a fool.

B+ **MORITZ:** Sullivan advocates free enterprise-oriented approaches to health care reform, as he opposes both nationalized health care and intrusive new federal regulations requiring businesses to purchase health insurance for employees. Similarly, Sullivan showed a proper reluctance to expand federal regulations when he opposed federal legislation to outlaw cigarette vending machines. Sullivan has firmly opposed calls for budget expansion in programs without creating bitter enemies for himself and the administration; yet, when his opponents have been unreasonable, Sullivan has conveyed a strong opposing position while maintaining a dignified demeanor.

Sullivan serves well as a prevention advocate, reminding Americans that

individuals must be responsible for the consequences of their own actions. Referring to problems including AIDS and premature death in the minority community, Sullivan said, "It has become ever more clear to me that...those problems arise precisely from an erosion of basic values and the collapse of the institutions that teach them, like the family and the community."

Sullivan could improve by pursuing aggressive, free-market game plans on health care and welfare reform, and still has the potential to be a cabinet star.

B+ **PINES:** Getting better all the time, impressing political veterans with his grasp of Washington. With strong help from his Under Secretary and other senior staff, is taking charge of America's biggest domestic federal bureaucracy. Earns points for breaking the recent HHS mold with his talk of individual responsibility in life-style and health care. And when Representative Pete Stark, a California Democrat, took a racist swipe at him, Sullivan slugged back—holding his ground with dignity and effectiveness. Would nail down his "A" by devising a free-market alternative to Ted Kennedy's national health plan.

A- ANDERSON: The best HUD Secretary the United States has ever had. Should get extra credit for loyally serving President Bush while gnashing his teeth privately over inept economic policy moves. Gets a minus because he is in way *under* his head. The job does not fully challenge his powers. No one has ever run for president of the United States using HUD as a political power base, and no one ever will.

A BAUER: Kemp's conservative populism and his ideas on empowerment made him the ideal choice for HUD back when he was appointed, and he has slugged away at implementing those views ever since then. My only question (and not only mine) is, could his talents be more effectively used higher up in the administration?

B+ BLITZ: He has ably articulated the promise of an improvement in the situation of the poor that is consistent with overall growth in the economy, rather than with redistribution. He has made fully clear the important point that Reagan conservatives

SECRETARY OF HOUSING AND URBAN DEVELOPMENT



Jack Kemp

believe that growth is good for everybody, not just for the wealthy. But he has not yet put together a package of programs that might bring this off. At the same time, it is hard to think of anybody who would have done a better job streamlining HUD.

D CRANE: Kemp gets a "D" for old times' sake. Those who wait breathlessly for him to step down from HUD and rescue the Republican Party from George Bush

would do well to read leftist journalist Robert Kuttner's puff piece on Kemp in the June 11 *New Republic*. In it, Kemp dismisses the relevance of Ludwig von Mises and F. A. Hayek (he's "flirted" with their free-market economics in the past, he admits) and points out that in today's world "people are going to demand problem-solving by government." Gushes Kuttner, "Kemp is probably right that the solution to the housing crisis will require not 2 percent of the federal budget, but 5 percent—about \$60 billion."

A- MORITZ: The cabinet's self-described "bleeding-heart conservative" has had his hands full with a scandal-ridden department, yet Kemp has risen above this to project a vision, and morale is higher at HUD than anyone could reasonably expect. Some have criticized the agency's slow speed in decisionmaking, but critics should take into account that the agency Kemp inherited was a decade behind in management and technology practices, and that Congress has micro-managed parts of the department.

(continued)

C ANDERSON: The last thing this country needs is a *national* transportation plan. The states and counties and cities have enough trouble. Perhaps Skinner should take a sabbatical and travel and study—in depth—how well national transportation plans have succeeded in other countries. If he steals a page from the privatization book of some of those East European countries and sells Amtrak, his grade could improve markedly by the end of the term.

C CRANE: Skinner has proven he can learn on the job. When free-market types warned against too much government involvement in transportation coming out of his master plan, he took the criticisms to heart and has followed a more market-oriented approach since then. In particular, his opposition to raising fuel economy standards on the grounds they would lead to more deaths on the highway has been a breeze of fresh

air in the dank atmosphere of the Bush administration.

Further, he has resisted hare-brained schemes to cartelize the airline industry in the wake of deregulation. On the other hand, Skinner has opposed privatization of the air traffic control system and the airports themselves—the answer to the congestion brought about by only partial deregulation of the industry.

B- PINES: A full grade-point jump for preventing his department's formulation of a National Transportation Strategy from becoming a blueprint for a transportation sector industrial policy that would strangle the American economy. Instead, personal intervention by him and his top aides rescued the strategy by infusing it with free-market arguments. To earn an "A," he must move beyond rhetoric and devise specific measures for these free-market concepts, for more competi-

SECRETARY OF TRANSPORTATION



Samuel K. Skinner

tion in transportation, and for privatization solutions to the problems of airport congestion and crumbling transportation infrastructure. He also can do much more to alert the public that his policies make him the nation's chief champion of the consumer and of competitiveness.

(Kemp, continued)

A problem: Free-marketeers who work in government have to walk a fine (perhaps impossibly so) line. It is difficult to do a good job managing programs designed to help those who are not self-reliant without undermining one's advocacy of self-reliance. As long as Kemp chooses to work in government, he should make up for this by being extremely aggressive in promoting free-market principles.

A-PINES: Kemp shows steady and impressive improvement. When he took control of this department from his scandal-scarred predecessor, the ball was deep in his own territory. Since then, he has gained considerable yardage and boosted team morale. He has launched important programs that expand tenant management of public housing and homeownership and he has become the administration's main champion of an empowerment strategy to end the four decades of welfare dependency. Vast travels have taken him deeper into the inner city than any other cabinet official in history, winning enthusiastic black and Hispanic support for him and his free-market, self-help policies. His key dilemma: Will his integrity allow him to remain at a cabinet table with Darman and Sununu, whose tax policies severely penalize blacks, Hispanics, and other working Americans?

F-CRANE: Despite a masterful public relations effort to pass himself off as a born-again free-market advocate and to stress his chummy relations with corporate leaders, Reilly remains the determined left-liberal environmentalist who led Nixon's efforts to bring national land-use control to America and replace private property with "social property." He has actively opposed efforts to require the Justice Department to see that federal agency regulations do not constitute takings under the Fifth Amendment. He helped create a National Wetlands Plan that will effectively nationalize all remaining (and very loosely defined) wetlands. And the EPA under Reilly continues to foster public hysteria and misinformation regarding the health risks of synthetic agricultural chemicals such as Alar.

Reilly's leading role in promoting the administration's anti-science, disastrous Clean Air Act makes one wish Dukakis, instead of Bush, had appointed someone to EPA.

D-PINES: Reilly offers failed conventional solutions to environmental problems. While his rhetoric gets top grades, with its high-minded incantation of market forces and economic growth, his actions reveal that he pays scant attention to what he says. Example: He took George Bush's generally

ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY



William K. Reilly

sound, market-based proposal for a Clean Air Act and distorted it into simply more regulation, imposing more costs on American workers, consumers, and industry. He delayed release of an EPA report that refuted the claim that acid rain causes enormous damage and he fought against the Symms Amendment requiring just compensation to those who lose full use of their property because of EPA action. He gives free rein to local EPA offices to pursue what appear to be vendettas designed to close local industry. His grade would soar were his actions to take their cues from his words.

SECRETARY OF ENERGY



James D. Watkins

C-CRANE: There's something to be said for cabinet members with virtually no visibility. True, he did chastise the

oil companies for raising prices when uncertainty about future supplies arose—something one would have thought to be the appropriate response in a market economy. But when the admiral circulated a memo to his department staff suggesting things like more air in their tires as the answer to the Middle East crisis, we were spared the gas lines a more activist Secretary would likely have created through price controls.

C-PINES: Watkins merits a passing grade for remaining invisible. The next best thing to abolishing Energy as a cabinet agency is a Secretary who does very little. Watkins must be commended,

therefore, for keeping calm and balking at "doing something" during what was a near-panic atmosphere when oil prices soared after Iraq's invasion of Kuwait. He wisely avoided pressing for Carter-style emergency powers, which would have introduced a new generation of Americans to gas lines. He wisely has no illusions of becoming an Energy Czar and has sound ideas about revamping regulation of the nuclear power industry. What could raise his grade is for him to become selectively visible by directing public attention to unreasonable environmentalist regulations that make America dangerously dependent on Middle East and other foreign oil.

ANDERSON: Expel. **EXPEL** Darman is the *idiot savant* of American politics, perhaps the most intelligent person in the higher reaches of government, a brilliant bookkeeper. A world-class tactician when following the strategic directions of others, he confirmed the correctness of the Peter principle when he was elevated to the number one job. The man who helped Presidents Reagan and Bush achieve the greatest economic expansion in U.S. history calculatingly drew up the blueprint that will probably stop it in its tracks. A non-economist with the political instincts of a Harvard graduate, this fellow is in the wrong class.

D BAUER: He's slick with numbers, but has no political understanding whatsoever. He has led the administration into tax increases that were neither good policy nor good politics. In a more honorable era, any official who had done to his administration what Darman has done to this one would resign.

DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET



Richard Darman

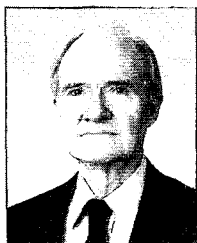
C BLITZ: On some issues—fighting misplaced restraints on trade, for example—Darman has been useful and sensible. But at the end of the day, even apart from the political damage, he did not perform his job very well. He controlled the budget operation for the administration, and the results were not good. He had a sequestration option, which he failed to use even as a credible threat. Along with many cabinet members, he seems to have forgotten that our goal must be

real reductions in spending and bureaucracy, not clever ploys or managing the status quo. At a time when many state governments are making substantial spending cuts, what genuine cuts has the Bush administration achieved?

F CRANE: To gain the accolade "brilliant" from the establishment political media, it is a prerequisite that one not have a single principled bone in one's body. Such rigidities tend to inhibit the flexibility required to accommodate each and every special interest inside the Beltway. His recent attack on Jim Pinkerton, whose "new paradigm" is by far the most intelligent policy approach floating around the administration, is further evidence that Darman shies away from ideas like a vampire from the cross.

With a budget containing not tens, but hundreds, of billions of dollars just begging to be cut, Darman managed to set the federal government on a course that will actually increase the rate of spending over

NATIONAL SECURITY ADVISOR



Brent Scowcroft

A ANDERSON: You don't hear much from Scowcroft, which is exactly how it should be for someone in this powerful, sensitive job. Both he and his deputy Bob Gates can only be graded by the results of foreign policy and defense policy. They must be doing something right.

C BLITZ: It is hard to imagine any difference if he were not there. Since President Bush

(with Secretary Baker) makes most of his own tactical foreign policy decisions, his national security advisor might be filling the vacuum in the administration's strategic thinking. What do we wish our relations with Japan or Mexico or Germany to look like 10 years from now? To what degree should American foreign policy be committed to the spread of representative democracy and free markets? Scowcroft, however, does not seem to be addressing these questions.

C MORITZ: Scowcroft has more influence than his reputation suggests, especially on arms control, the Soviet Union, and Europe. Unfortunately, his influence hasn't been good. Knowing that Soviets have over 300 mobile nuclear missiles (and continue their production) and the U.S. has zero, one would expect a national security advisor to support either the MX or SDI. Scowcroft supports neither; even going so far as to urge the president to sign a defense bill with SDI levels so low they gut the

program. Events like those in the Persian Gulf demonstrate the need for SDI; Scowcroft should become a stronger advocate.

B-PINES: The National Security Council staff, if not Scowcroft himself, have been advocating sound policies in Southeast Asia such as refusing to recognize Vietnam until there is a comprehensive settlement in Cambodia. He gets points too for helping shape the initial forceful response to Iraq's invasion of Kuwait. The trouble is that he has been almost invisible on all other policy fronts. Worse, he has failed to organize the NSC well and defers on almost every issue to the Pentagon or State Department. This denies Bush the independent analysis that the NSC was created to provide and often allows policy vacuums to develop. This particularly is the case in the critical area of devising a global American foreign policy for the post-Cold War world. Here, so far, nothing is happening at the NSC.

the next five years. Not to be fiscally irresponsible, he also kicked in the largest tax increase in American history. There are over 3,000 domestic programs in the federal government and not one got eliminated in the excruciating budget negotiations.

F PINES: The Milli Vanilli of the Bush White House, he lip syncs what are actually the economic policies of the Carter administration, apparently to halt U.S. economic growth and job expansion and to ignite double-digit inflation and unemployment. In what, by comparison, makes junk bond dealers look honorable, his vaunted budget deal with liberal Democrats inflicts the greatest

single-year tax increase on working Americans. He deliberately and repeatedly made false claims that his budget summit compromise will reduce spending and the deficit. He misled members of Congress, his president, the press, and the public about the lessons of the unprecedented economic expansion of the Reagan-Bush administration. And he broke the honor code of loyalty to his president's administration through close fraternization with leaders of the opposition, through bullying and gagging Council of Economic Advisers Chairman Michael Boskin, and attacking senior White House staffers. Maybe Donald Trump has a job for him.

D CRANE: Lujan has done a credible, if not overwhelmingly successful, job of preventing the environmental community and his increasingly "greened" agency from swinging the pendulum back to the no-use, no-development public lands policies of Jimmy Carter. Nevertheless, he has not curbed Interior's ever-growing lust for the nation's remaining private lands, has leapt at the opportunity to tie up the Resolution Trust Corporation with environmental concerns over properties being disposed of, and has managed to turn the spotted owl into an anti-capitalist mascot.

Incredibly, Interior has also created a moratorium on any further off-shore leasing for oil exploration and development, thereby locking up enormous amounts of America's energy resources.

C PINES: Barely earns a passing grade for the same reason as last year: he apparently never wanted this job and has no heart for it. Thus he shows little interest in running Interior. As

a result, the department fails to make its potentially important contribution to energy and environmental policy debates. He does say, however, some sensible things, pointing out, for example, excessive and senseless provisions of the Endangered Species Act and pushing for economic growth in rural areas. Typically, however, he fails to follow through with program proposals and his good words vanish with no trace.

SECRETARY OF THE INTERIOR



Manuel Lujan Jr.

A BAUER: As our first Drug Czar, he not only achieved more results than one could expect, he also put the drug issue in the moral context in which it belongs.

F CRANE: Bennett has proven himself—at Education and as Drug Czar—to be first and foremost a believer in big government. He intends to force his vision of America down our throats, regardless of the cost to taxpayers or

DIRECTOR OF NATIONAL DRUG POLICY



William J. Bennett

the civil liberties that may get trampled in the process. A worse selection to head the RNC Mr. Bush would have been hard-pressed to come up with.

A PINES: Bennett earned high honors until his mid-term departure. Having taken on the most difficult job in America, he performed spectacularly well by keeping the drug debate focused on user accountability and law enforcement, and by refusing to make foreign governments and "American society" scapegoats for the drug problem. His state-by-state analysis of efforts to fight drugs called attention to those who are dragging their feet, and he won legislative approval for such penalties as suspending driver's permits for any drug offense. He should not be blamed for White House reluctance to push his proposals aggressively on Capitol Hill, nor for White House failure to echo and magnify his sound analysis of and prescription for the drug crisis.

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SUE CITY

The Case Against the Contingency Fee

WALTER OLSON

For years the New York City firm of Morris Eisen P.C. ran one of the nation's biggest personal-injury law practices, employing 45 lawyers and handling hundreds of cases at a time. Like all law firms that specialize in injury lawsuits, it worked on contingency—keeping a share of its clients' winnings, if any ("no fee unless successful").

It all came undone in 1990 when a federal grand jury indicted Eisen and seven persons associated with his firm on charges that included bribing witnesses and court personnel, suborning false expert testimony, doctoring photographs, and manufacturing other physical evidence. Among those charged along with Eisen were two lawyers, a former office manager, and four private investigators who worked regularly with his firm.

Federal prosecutor Andrew Maloney detailed the charges. "They produced an eyewitness to two automobile accidents," he said. "The witness was never at either accident and, at the time of one accident, he was serving time on a forgery charge." In another case, where one of Eisen's employees claimed to have tripped at a racetrack parking lot, Maloney said one of the suspects used a pickax to widen a pothole so it could be blamed for the supposed incident. Two of the group were charged with causing a witness to give false testimony in another lawsuit where an injured woman claimed that a bus driver had signaled for her to cross the street into traffic; New York City settled the case for \$1 million. Altogether the 19 lawsuits where wrongdoing was alleged had brought in \$9 million in awards and settlements, of which the lawyers had pocketed an estimated \$3 million in contingency fees, along with some additional sum to cover their reported expenses.

Around the rest of the country a wave of similar scandals was breaking. A front-page series in the *Miami Herald* told how a North Miami legal practice had conspired to manufacture and exaggerate injury claims. Florida prosecutors followed with a 32-count indictment of three lawyers, two doctors, and three associates. A federal indictment charged two New Jersey lawyers and a doctor with 58 counts in an alleged scheme of massive fraud in auto-accident claims.

America's legal profession, it seems, is being cleaned up. Or is it? What may be needed is not just more

crackdowns like those underway, but a rethinking of the modern American wisdom on legal ethics.

Temptations for Dishonesty

Lawyers as a profession face unusual temptations to engage in unethical conduct. No one knows better how to skirt or evade the law than someone trained in it, and huge amounts of money can hang on the choices made when no one is looking over a lawyer's shoulder. This can be tempting enough for the ordinary lawyer who guides inexperienced clients through large financial transactions. It can be even more tempting for the trial lawyer who specializes in lawsuits or threats of lawsuits. Litigation is mostly about the violent and chancy redistribution of wealth. It abounds in opportunities for perjury-coaching and witness-tampering, the faking of evidence, and the bribing of court personnel, all for what can be dizzyingly high stakes. It offers many chances for dishonest persons to become rich.

A job that offers enormous rewards for unscrupulousness will attract many unscrupulous people, and corrupt many people of ordinary character. Yet most of the ways to sort out the bad apples are not very promising. Criminal prosecution, disbarment, and other heavy-duty disciplinary measures can help in the few cases where abuses can be brought to light and proved conclusively. In practice, only a few relatively flagrant cases of lawyer misconduct are caught and corrected in this way, mostly embezzlement of client funds and the like. Advance screening of bar applicants for "good character" is a subjective affair that can imperil the merely unpopular applicant along with the shady one; it has fallen largely into disuse. Civil lawsuits against lawyers provide occasional recourse for victimized clients but next to none for victimized opponents.

What is really needed is a reduction in the temptations for dishonesty within the practice of law itself.

WALTER OLSON is senior fellow at the Manhattan Institute. This article is excerpted from his forthcoming book *The Litigation Explosion: What Happened When America Unleashed the Lawsuit* (Dutton/Truman Talley Books). © 1991 by Walter K. Olson.