



Summary of Meeting with David Strom

Civic Caucus, 8301 Creekside Circle, Bloomington, MN 55437

Friday, February 10, 2006

David Strom, guest, president, Taxpayers League of Minnesota

Present: Verne C. Johnson, chair; Paul Gilje, Jim Hetland, Jim Olson (by phone), John Sampson (by phone), Clarence Shallbetter, and David Strom, guest.

1. Welcome to David Strom —Verne welcomed Strom on behalf of the Civic Caucus. Strom is a graduate of Carleton College and holds a master's degree in political science from Duke University. He taught political philosophy at Duke, North Carolina State, Carleton, and the University of St. Thomas. He started work with the Taxpayers League in 1977, when it was formed, and became president in 2004. The organization's mission is to fight for lower taxes, smaller and less intrusive government, and to educate citizens on free market principles.

2. Comments by Strom —In his opening remarks Strom made the following points:

a. Expectations are exceeding what is realistic —As committed as Strom is to a battle of ideas, he said that people's expectations of what they expect is out-of-line with what can happen. Some people, for example, seem to be seeing the current discussions over America's democracy as a life-and-death struggle for western civilization, but it's not.

b. Politics is a team sport —It helps Strom to think of the Republicans and Democrats engage in a team sport with one another, and the end result is to win over the other team. It is a mistake to think that the two parties have other goals in mind. Their goals are to win. Most fights in Washington, D. C., aren't about public policy. They are about who's getting elected.

c. Adjust our expectations —Knowing, therefore, that the parties are out to win, not to fix things, we need to adjust our expectations for what we want politics to do. Over the last 50 years politics itself hasn't changed. It's still a fight over allocation of limited resources, and the winning team controls the resources. What has changed is that so much more of the nation's wealth is being allocated by the political process than before. At the same time we are increasingly frustrated that government doesn't do what we expect of it.

d. Limit government —Given the fact that politics is essentially about winning and about who gets what, when, Strom argues therefore that we need to limit where government has power in people's lives, because government is an inefficient way to allocate resources. If you want to reform the system, you do less.

e. Look to the incentives —With politics focused on who gets elected, and with no prospect that objective will change, people concerned with public policy ought to look to the incentives within which the political system operates and seek to change those incentives.

3. Discussion with Strom —During the discussion with Strom the following points were made:

a. Media fans the flames —For those concerned about public policy, the media are the biggest problem because they fan the flames of political battles. That is what sells.

Strom certainly doesn't want to create some new arm of government to be involved with improving the media, but the best thing that could happen now would be for the media to become more self-limiting. He sees some good in the proliferation of information that is present today through the internet. People are much more sophisticated as consumers. Over time that sophistication should lead to people's insisting that they want more than the simplistic messages they are receiving from the media now.

b. Change redistricting —Asked about what changes in government are most urgent, Strom said that redistricting is out of control because the system allows the same people who set the boundaries to be the ones who are affected by those decisions. Nevertheless, he doesn't like handing the job over to the courts.

c. Role of elected officials in "safe" districts —Strom was asked whether someone elected from a safe district doesn't bring more responsibility to the system, because such an individual doesn't have to worry so much about getting re-elected. Strom said, "no". Such officials become culture warriors and take on the opposition directly. They can afford to become more combative than elected officials in competitive districts.

d. Potential of third parties —Strom said that as flawed as our two-party system is, the situation would be worse if we had three or more parties. He noted that major policy shifts occur very slowly and in surprising circumstances, such as the accomplishment of welfare reform when we had a Democratic President (Clinton) and a GOP-controlled Congress.

e. Role of moderates —Strom was asked about some people on the far right who characterize moderates as lacking in principles. Strom said he looks more to the issues under discussion at any one time. You will see changes from people to people. Strom went on to say that you'd be surprised to see many very stringent people being also quite capable of developing consensus with the opposition. He mentioned Representative Phil Krinke, a Conservative Republican, who knows how to come to agreement with Democrats on the far left.

f. No changes in the political environment when funds are increased —Returning again to the issues of who wins, and how resources are allocated, Strom recalled that the Minnesota Legislature added \$1 billion in funding for schools, at a time when the total spending was about \$6 billion or \$7 billion. That was quite a significant hike, something about 15 percent. But the teachers union came right back and spent \$1 million in an ad campaign against the majority. If you really want to get at the issues of spending in education, he said, compare how we organize our schools with how large corporations have dealt with their cost questions. In the private sector you slow down the addition of middle management. Just look at how our largest private employers in Minnesota have trimmed their

staffs. Yet in education, we end up adding more and more people in supervisory positions, not in teaching.

g. Reform seems to make things worse —Asked about the enhanced role of the political caucuses in the legislative bodies in selection and financing of candidates, as compared to the traditional role of political parties in these functions, Strom said that whenever we try to reform the system we make things worse. He mentioned the McCain-Feingold campaign finance legislation as opening the door for special interest groups to tell about positions of the candidates, instead of the candidates themselves.

h. Providing incentives to attack real problems —Strom was asked what incentives he would suggest that would help modify the political system so that elected officials would be more inclined to take aggressive action on such issues as the federal deficit, social security, pensions, and Medicare and Medicaid. Strom agreed that incentive changes are needed but that he doesn't have specific suggestions to offer.

i. Will continue to seek no-tax-increase pledges —Strom said the Taxpayers League will continue to seek no-tax-increase pledges from candidates. He understands that Governor Pawlenty doesn't consider that his pledge from the previous campaign will automatically carry over to the next campaign. Strom said further that the Taxpayers League is still opposed to higher gasoline taxes. Over the last 18 years without an increase in gasoline tax rates, we've seen gasoline tax revenues rise by 300 percent.

j. Interest in transportation —Strom said more attention needs to be addressed to targeting transportation dollars to fix bottlenecks that are producing congestion. He said his concern with buses is that traffic moves better when buses are off the roads. He was informed about Civic Caucus' major report on transportation that calls for priority attention to ride-sharing, including special ramps for park-and-ride. It was agreed that we'd send Strom a copy of the report.

It was noted that a possible constitutional amendment is under consideration for dedicating proceeds of the sales tax on motor vehicles to a new transportation fund that would provide money for transit and highways. Strom said that he doesn't like dedicated funds in general, but that the Chamber of Commerce and business groups are behind the proposal.

k. Possibility of term limits —Returning to possibilities for changing the governmental system, Strom said he thinks term limits are a possibility. He also suggested four-year offset terms for House members to get rid of the fact that currently those members are constantly campaigning.

4. Thanks to Strom —Everyone thanked Strom for his meeting with us today. We informed him that a summary will be prepared and that after he has looked over the summary for corrections that the summary will be distributed to some 150 persons on our electronic distribution list.