

Essay

WILLIAM SAFIRE

# Buchanan's Campaign

WASHINGTON  
My old comrade-in-arms from Nixon on speechwriting days (he did "pusillanimous pussyfooters" for Agnew alliteration, while I did "nattering nabobs of negativism") is running for President.

To be more precise, Patrick J. Buchanan is using the Republican primary campaign in 1992 as the springboard for his long-range plan to wrest control of the party from hawkish neoconservatives and pragmatic moderates. Right from the start, he was a Goldwater "true believer," never happy with the necessary compromises of Nixon and Reagan.

Pat will open strong in New Hampshire, a handsnakeable state gripped by depression, where safely maverick Republicans will gleefully grab the chance to "send Bush a message" before returning to the fold in November. Playing David against Goliath, unencumbered by competition from David Duke, and with the ardent support of the state's biggest newspaper, Pat might exceed Gene McCarthy's 42 percent against an incumbent President; if he does, the coiner of "instant analysis" will be declared the winner.

That will be his peak, but will earn him coverage all spring and a dramatic prime-time slot at the convention. Recalling the Reagan example against incumbent President Ford in 1976, Pat will not bolt, but begin his campaign for takeover of the party in 1996 against Kemp, Quayle, Wilson and Gramm.

When that fails, he will transform his computer-connected network of the nativist right and isolationist left into a third party similar to the American Party of the mid-19th century. Do not underestimate a messianic pol who can write his own stuff; Mr. Buchanan — the anti-intellectual intellectual, the most likable hater — will be a political factor for a long time.

Does he pose a danger to the present rightward, individualist direction of America? Yes.

His elitist immigration policy makes even nutty multiculturalism look good. Looking at the world, he takes a good thing — political self-determination, nationalist pride — and carries it to an extreme. If America is to be first, it cannot be the result of selfishness or xenophobia but because we have the will to use our power to lead selective intervention.

Had the Buchanan *Wellschauung* prevailed, Saddam Hussein — his conquest of Kuwait setting him beside the Arab world and in control

of vast wealth — would today be importing Soviet scientists to put the finishing touches on his nuclear-tipped intercontinental missiles. George Bush may not have followed through his victory, but intervention has its uses; at least Manchester, N.H., is not now a madman's easy nuclear target.

Which brings me to a personal point. I was in that band of warhawks at which Pat loosed his cannon this year, labeling us "the amen corner" of the Israeli Defense Ministry — as if the threat to the U.S. from Saddam was a concoction of world Jewry.

That was a charge of dual loyalty, below the political belt. Pat knew it: Catholic Americans had to endure similar charges of "Romanism" for a century until the election of J.F.K. buried such notions of secret papal domination.

I withheld my reaction in hopes that a columnist with impeccably conservative credentials, and not Jewish, would make the call. William F. Buckley, an early Buchanan hero, has just done so in the National Review, finding the pattern of Pat's past remarks impossible to defend from a charge of anti-Semitism. That's a sound, if pained, judgment.

Another reason I laid low was to be in a position to help a friend back out of what he now must know to be a dead end. Although he misperceives contrition as weakness, he has lately been studding his statements with "Judeo-Christian values"; admitting

## The new extremism.

"insensitivity" and being "a wise-acre" to Jim Lehrer on PBS, explaining that his listing of only non-Jewish names as potential Persian Gulf war casualties was more anti-British than anti-Yiddish.

Pat and I used to prepare the "black book" of anticipated questions and suggested answers to a candidate. Here's a submission for your own black book, Pat: "I can see how some wiseguys cracks of mine in the past can be taken as anti-Semitic. I did not mean to hurt or frighten any group of Americans, and to the extent I did I repudiate it right now. David Duke can have the Nazi vote. I'm here looking for the new nationalists..."

## Abroad at Home

ANTHONY LEWIS

# Still Little England?

WILLIAMSBURG, Va.  
Suppose that 1 of the 13 original American states had at first stayed out of the constitutional union, then reluctantly joined but repeatedly dragged its feet on great national enterprises. Suppose that state had demanded, and won for itself, exemption from parts of the constitutional system.

That analogy, inexact though it is, gives an idea of Britain's attitude toward the European Community. Standing aloof at first, Britain finally joined — but continues to act as if membership were a burden, or even a menace, instead of an opportunity to share in one of the most promising ventures in contemporary history.

This is a time of hope for the Community. Meeting last week in the Dutch town of Maastricht, the heads of the 12 member governments committed themselves to establishing a common currency and European central bank by no later than seven years from now. They pledged to work for a

## 'Fog in Channel, Continent Cut Off.'

common foreign policy and perhaps, in time, "a common defense."

In these and other ways the Maastricht meeting took dramatic steps toward what it called "ever closer union." American history demonstrates how making the critical monetary and economic decisions at the center may draw political power there, too — may make citizens look to federal rather than local institutions for leadership.

And where was Britain as the Community thus made concrete its vision of a united Europe? Prime Minister John Major was in Maastricht — resisting all the way.

Mr. Major rejected a move to adopt European-wide labor and employment laws. The other 11 members thought that step was a necessary accompaniment to the single European market that becomes a reality next year. When Mr. Major, obdurate, blocked a treaty amendment, the 11 adopted the proposal as a separate agreement among themselves.

And Mr. Major said he would veto the proposal for a common currency and central bank unless Britain were allowed to stay out when the moment

of creation comes. The others agreed on an opt-out clause for Britain.

To stay out of the European monetary union would be quite unrealistic for Britain, indeed suicidal. The financial institutions of the City of London, which are so important now in the world of finance, would be relegated to the sidelines.

Germany's Bundesbank is today the dominant influence on monetary policy in all the European countries. Under the proposed monetary union, the Bundesbank's role would be taken over by a central bank in which all member countries would have a part. Britain would have more influence than it does now.

The still larger point is political. The newly reunited Germany is the big player in Europe, and its powerful economy is going to make it ever bigger. At a time when angry nationalism is flaring up in so many places, it is in everyone's urgent interest to knit Germany into a larger Europe. That is the reason that Chancellor Helmut Kohl has been so strong an advocate of strengthening the Community and its political character.

For all those reasons no sensible British Government is going to stand apart in the end. The Community is solidifying, Britain will in time join in that process, and Mr. Major knows it.

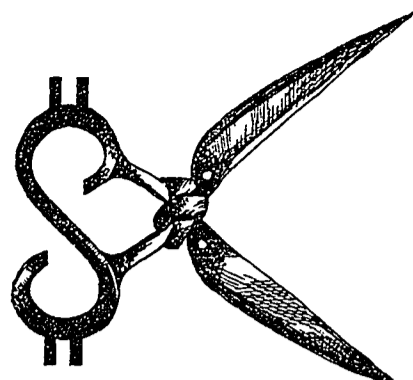
Yet at Maastricht Mr. Major played dog in the manger. He forced a solution that creates something like a two-tier Europe, with Britain alone in the second tier. When it was over, he told reporters happily that it had been "game, set and match for Britain." Some game, some match.

Why would Mr. Major crow over isolating his country? Domestic politics is the answer. A handful of irremediables in the Conservative Party, led by Margaret Thatcher, are paranoid about Europe. Mr. Major thinks he needs to placate them so he can go into an election with a united party.

But that only points to a profound and long-term failure in British politics. Ian Davidson of the Financial Times, London, wrote after Maastricht that the failure was "the direct consequence of the defensive and adversarial vocabulary adopted consistently for the past 40 years by almost the entire political class in Britain towards the European Community."

Or to put it another way, too many politicians have fostered the delusion that Britain can Go It Alone. That is Little Englandism, the state of mind that produced the headline:

Fog in Channel, Continent Cut Off



# Economic Stimulant: Sales Tax

By Matthew D. Shapiro

ANN ARBOR, Mich.  
There is a way to get the economy moving again fairly soon, but it is apparently not on anyone's agenda. It is a tax on consumer spending — even in the face of the coming Presidential election.

With the recovery from the recession weak or nonexistent, White House and Congressional attention is on cutting taxes to stimulate the economy. But using tax cuts to give a short-run boost to the economy would be exactly the wrong way to try to cure the Government's long-term fiscal problems.

Because of the Reagan-era tax cuts and the absence of any consensus to cut spending, it appears that the Federal budget will be permanently in the red. According to the Congressional Budget Office, the deficit will still be 2 percent of the gross national product even after an economic recovery. Moreover, demand is growing for additional Federal spending, particularly for health care and edu-

## Set the date for it far in advance.

cation, which will require more tax revenues.

Policy makers thus face a dilemma. A tax cut is needed in the short run while an increase is required for the long run. But this trade-off can be avoided by a tax on consumption — a national sales tax — that would take effect on a specified date in the future.

How would such a proposal work? Suppose that in early 1992 Congress passed and the President signed into law a consumption tax that would take effect on Jan. 1, 1993.

Consumers, anticipating the tax increase, would accelerate their purchases, particularly of durable goods. This would stimulate the economy immediately, though there would be no immediate direct impact on the deficit.

Anyone who has lived in a state where a new sales tax was about to go into effect will recall advertisements encouraging consumers to buy before the price increased. People run out to buy durable goods like appliances.

The quick-start effect of a future consumption tax is somewhat similar to that envisioned for the investment tax credit that the Administration has been considering. An investment tax credit encourages businessmen to invest in plant and equipment without delay, but an investment tax credit would result in a higher deficit because corporate tax revenues would fall as a result of it.

As for the consumption tax, the stimulus achieved by the prospect of higher prices would depend, of course, on consumers' willingness to buy sooner than later. This inclination does not apply so much to restaurant meals or movie tickets as it does to cars, appliances and furniture.

Getting consumers to buy soon would lead to a contraction in demand once the tax increase took effect, but by then the recovery should be well under way. The manipulation of demand could be spread out by phasing in the tax increase over several years, although this approach would reduce the size of the immediate boost to the economy.

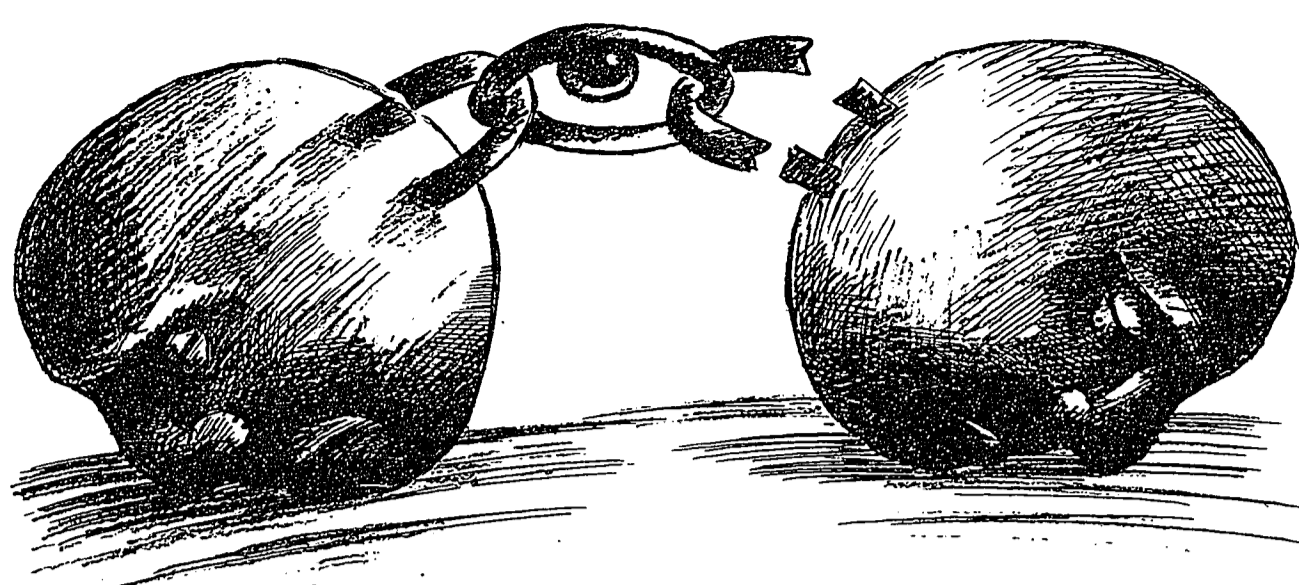
Most tax cuts stimulate the economy by increasing wealth or disposable income directly.

The Republican proposal to cut capital gains taxes would transfer purchasing power from the Government to wealthy owners of assets that appreciate in value. The Democratic proposal to increase the standard deduction would transfer purchasing power to the middle class.

Either of these cuts would result in an even higher deficit, canceling out their advantages in stimulating the economy.

Moreover, these approaches take an inordinate amount of time to put buying power into people's hands, if only because of the stretched-out legislative process. A consumption tax, however, would save time: the prospect of higher taxes concentrates consumers' attention wonderfully.

Matthew D. Shapiro is associate professor of economics at the University of Michigan.



Illustrations by Igor Kopelnitsky

# Zionism Is Not Racism

By John R. Bolton

WASHINGTON  
On Nov. 10, 1975, the United Nations General Assembly sunk to its moral nadir when it approved, by 2 to 1, Resolution 3379, declaring that Zionism was a form of racism. This proposition is a vestige of a dark period now gone, yet it remains a serious stain on the integrity of the U.N.

Today, the Assembly is to vote to renounce Resolution 3379. The expected repeal will further reinvigorate the United Nations and help lay the foundations for the U.N. of the future.

We do not consider repeal linked in any way to the Middle East peace process. We hope that repeal will create a better climate in which that process can proceed.

The first article of the U.N. Charter provides for the sovereignty of each state. Inherent in the recognition of sovereignty, which is required by the provision that members be "peace-loving states," is the acknowledgment of each state's right to exist. Resolution 3379, through convoluted U.N. verbiage, placed Israel — the Zionist state — beyond the moral pale, and implicitly challenged its right to exist.

In the U.N., words take on a life of their own. To declare as "racist" the historical and cultural underpinnings

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## Repudiate the infamous resolution — today.

of a state is tantamount to branding that state an international criminal, for racism is a crime enumerated in the Genocide Convention and numerous other instruments commonly accepted under international law.

Zionism is one of the oldest national liberation movements of the modern age. It is Zionism's bearing on the creation of the state of Israel that led to the General Assembly's perverse action in 1975.

The United Nations can free itself from the hypocrisy that caused a crisis of confidence in the U.N. — a crisis that lingers to some extent today — by definitively repudiating Resolution 3379.

In 1975, the Soviet Union led the charge in favor of the resolution. The Arab states were only too happy to follow its lead. But the momentous events of the past two years in Eastern Europe and the Soviet Union, as well as the Persian Gulf crisis, have created a new international climate — reinvigorating the U.N.

Where only a few years ago the U.N. was considered hopelessly ineffectual and mired in double standards and hypocrisy, it is now valued as an international forum where countries can work, in accordance with the Charter's values, to safeguard international peace and security.

But so long as Resolution 3379 remains unrepudiated there remains a long shadow over all the General Assembly says and does.

In calling for repeal of Resolution 3379 in his address to the General Assembly on Sept. 23, President Bush made clear that we now seek to improve the atmosphere for international cooperation.

Some say the U.S. should forget about Resolution 3379 — saying, in effect, "after all, it's old and outdated, just words on paper." We disagree. The U.S. believes that what the U.N. says, rightly or wrongly, is important. The General Assembly's willingness to adhere to the Charter and its most essential principle — the right of each state to exist in peace — is crucial.

On Dec. 12, at Secretary of State James Baker's direction, the U.S. submitted a simple one-line resolution, without amendments or conditions, that would revoke Resolution 3379. We are delighted at the number of countries co-sponsoring this resolution — including the Soviet Union. They come from every region of the world. Some of the Arab countries will oppose repeal, some will abstain, but we hope some will favor it. We have worked to secure the greatest possible support.

President Bush told the General Assembly: "To equate Zionism with the intolerable sin of racism is to twist history... By repealing this resolution unconditionally, the U.N. will enhance its credibility and serve the cause of peace." We have been urging members to take this step. It is the right step to take, and this is a perfect time to take it.

# WHY ALL NEW YORKERS SHOULD CARE ABOUT STATE MEDICAID CUTS

Tough State Budget talks now going on in Albany will decide the future of the health care system.

Hundreds of millions of dollars in desperately needed payments to hospitals and nursing homes for care delivered to all New Yorkers could be stripped away.

Right now, leaders of New York's hospitals and nursing homes are seriously and soberly questioning the quality of care and the breadth of services they will be able to deliver in the future.

Will they be able to meet the demand for services? Insufficient payments to hospitals and nursing homes mean that staff must be reduced and beds put out of service. The result — hospital overcrowding, longer waits in emergency rooms and for elective surgery, and shortages of nursing home beds.

New York's health care system is already lean.

New York's health care providers have endured several years of economic deterioration. Already, the number of health care employees per patient in New York is the lowest of all states and our hospital facilities are among the oldest. New York's health care providers, compared to health care providers nationally, rank among the highest in occupancy and efficiency.

Medicaid cuts to hospitals and nursing homes affect their ability to provide care to all patients. To Medicaid recipients. To patients with Blue Cross or commercial insurance. To patients covered by union health and benefit funds. To Medicare beneficiaries. Even to those who can pay the cost of medical care at any price.

For every dollar the State saves on Medicaid, hospitals and nursing homes lose lots more.

From \$2.50 to \$10, making the budget-cutting pill hard to swallow for the health care community and the public it serves. That's because State spending dictates the level of the Federal and local government contributions to Medicaid and how much is paid by Blue Cross and commercial insurers.

What can be done to stop this threat to our health and well-being?

The New York State Legislature is soon expected to act on these proposed Medicaid cuts. Contact your representative in the State Senate and Assembly to voice your opposition to stripping millions of needed dollars from New York's health care system. Or write to the leaders of the State Legislature, Senate Majority Leader Ralph Marino and Assembly Speaker Mel Miller, at the Legislative Office Building, Albany, New York 12248. Letters to Governor Cuomo may be sent to the State Capitol, Albany, New York 12224. If you need more information, write or call Greater New York Hospital Association.

Because no one is immune to health care cuts.

Greater New York Hospital Association

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