

**A Brookings Press Briefing**

**THE BATTLE FOR CONTROL OF CONGRESS:  
A MIDTERM ELECTION PREVIEW**

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**MR. RON NESSEN:** Good morning. Welcome to The Brookings Institution and welcome to our briefing on next Tuesday's election, mid-term congressional elections and gubernatorial elections. My name is Ron Nessen.

As you know, all 435 seats in the House of Representatives are up next Tuesday, about a third of the Senate seats, although only a relatively small number of congressional seats are really competitive and there are 35 governorships at stake. With the Democrats currently controlling the Senate by just one vote and the Republicans controlling the House by just a very few votes, the control of Congress for the next two years will very much be up for grabs on Tuesday.

Today a panel of Brookings experts will analyze both the politics of the mid-term election and the issues that will motivate voters. We'll try to get some forecasts of the outcome from the panel and they'll talk about what the next two years are likely to be like for Congress and the White House, and of course there will be time for your questions.

Let me introduce the panel first. They're all Brookings scholars.

Next to me is Sarah Binder and her area of expertise is Congress and legislative gridlock, although that may be redundant.

Tom Mann. If you are sick already of campaign commercials don't blame Tom. He was, to a large extent, very much involved in the passage of last year's campaign finance reform.

To deal with issues we have Jim Steinberg who is the Vice President and Director of the Foreign Policy Studies Program here at Brookings, and Bill Gale who will analyze issues on the domestic side. And right in the middle a man who not only plays a former member of Congress on television but he actually is one, Bill Frenzel who served for 20 years in the House of Representatives from Minnesota.

Let me start off today's briefing by asking all the panelists to address this question. What difference does it make? What is really at stake in Tuesday's election?

Tom, why don't you start?



**MR. THOMAS E. MANN:** Well, I think in many respects we all know that Tuesday's election is very unlikely to alter the structure of domestic politics. As many analysts have pointed out in recent years, we are a 50/50 nation. The narrowest of margins between the parties at every level of elective office in generations. That is simply unlikely to change next Tuesday.

We are all anticipating one of two outcomes. One would be based on a kind of bottom-up perspective, looking at the competitive races, seeing how the dynamic is moving at the end of the

campaign in each race, and imagining close to a random set of victories by the two parties adding up to an outcome that looks very much like what we have now. Or alternatively, a last national ripple if not a tide, and certainly not a 1994-like tsunami that would sweep one party to a rather stunning victory.

Instead, that tide might produce a tipping effect all moving in one direction that could leave us with one party gaining seats in the House, the Senate, and the governorships. Obviously if that ripple develops I believe it will be generated by economic anxieties and work to the advantage of Democrats.

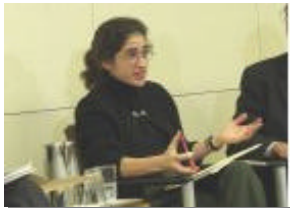
If that happened that means a larger Democratic majority in the Senate. It means the pickup of potentially five to seven or eight Democratic governorships including some large Midwestern states. And it even means the potential of a Democratic majority in the House.

Now would that lead to dramatically different policy outcomes? No. We would still have the narrowest of majorities, this time entirely Democratic. But it would alter the way in which President Bush pursues his domestic policy agenda. It would have a bearing on his appointments to the federal bench, on his efforts to make permanent tax cuts, on his interest in personal accounts associated with Social Security and efforts to reform the health system, to regulate the business sector. Therefore potentially it's important not in terms of the Democrats using their majority control of Congress if they were to win it to advance their own agenda, but largely to strengthen their position to play defense against a President who has managed to take a very very modest and possibly non-existent electoral mandate out of the 2000 election and achieve some substantial victories over the last two years.

**MR. NESSEN:** We'll come back, I'm sure, and explore in grater depth some of the issues you've raised.

First of all, though, let me finish going down through the panel and find out what everyone thinks is at stake on Tuesday.

Sarah?



**MS. SARAH BINDER:** I'd just add to what Tom said. Half the folks who study Congress think party control doesn't matter very much, the other half thinks it means everything. In the end they're both right in some sense.

I think the matter where it will change the most is in terms of control of the agenda, if you do have Republicans regaining control of that chamber.

We saw the beginning of the first Bush term, the 107th Congress in 2001, you could actually get something done with unified Republican control. There's a tax cut package. There's an education package. That was different from what you would have had at the top of the agenda with Democrats controlling the Senate.

At the same time those big packages were done with the help of Democrats. They couldn't have

been done without the Democrats. Those packages would not have gone anywhere had folks like Kennedy, Miller in the House, come together to work with the Republicans on that education package, for example.

Tax [inaudible] look different because of John Breaux's involvement from the Democrats in the Senate. So things will get done. The agenda might be a little different depending who's in control of the Chamber.

**MR. NESSEN:** Jim Steinberg, from the issues point of view, has Iraq and related terrorism, homeland defense issues and so forth sort of pushed economic issues and other domestic issues off the radar screen for voters?



**MR. JAMES B. STEINBERG:** There's no question, particularly the key period from mid-September to mid-October that the debate about Iraq was really front and center. If you look at the polling on what issues were getting the most attention during this key period when the campaigns were beginning to take shape, Iraq was the dominant issue and the Administration clearly used it very skillfully.

One of the things that has gotten less attention is not simply the way in which Iraq became an issue but the way in which the Administration's approach to the issue was playing into the shifting views of the American public on Iraq. In the early days when the issue first came up the Administration was taking a fairly hardline position, and then it became clear that the American public was somewhat worried about the unilateral emphasis of the U.S. approach, that there was a lot of support for dealing with Iraq, but a real sense that it would be better to do this with others.

As the Administration has shifted over the last several weeks to focusing more on the UN, I think they've successfully captured the general feeling of the American public which is that this is an issue that needs to be dealt with, that it is better to deal with it in the context of the UN, and I don't think it's entirely coincidental that we are not going to have a decision by the Administration as to whether to make the compromises and get UN support or to go it alone until next week after the election is over. I think there is a sense that it's better to keep this in play.

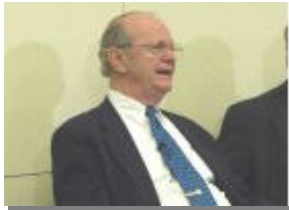
At the same time I think if you look at American public opinion on the issue, that while there is still a majority support for taking action against Iraq there are a lot of questions in the American public's mind. The number who oppose has gone up, as we've seen, in the recent Pew Poll. A lot more concern about casualties, a lot more concern about the possibility of terrorism in connection with the war.

So while I think it's out there, I'm skeptical that Iraq is actually going to play a very important impact in helping voters decide who to vote for.

**MR. NESSEN:** There is a Pew Poll coming out this afternoon at 4:00 o'clock showing that public support for the war is down to 55 percent, which is a substantial drop.

**MR. STEINBERG:** And even more important, the number opposed is up to 34 percent which is really a pretty substantial increase since it was only at 21 percent just a month ago.

**MR. NESSEN:** Bill?



**MR. BILL FRENZEL:** Unfortunately, I think it makes too much difference.

For the insider the intent is overwhelmingly to get control of whatever house you're in or you're running for. That means that working up to the election you have to do all kind of things that you might not otherwise do in running the country. The Democrats need to inoculate themselves against allegations of lack of not enough Patriot systems. The Republicans have to inoculate themselves against allegations of lack of compassion. The net result is that very little moves forward. I believe as we look into the coming biennium, I perhaps foresee a little different outcome than Tom does, but my guess is we are going to see more of the same and that what this election is going to bring to us is a fairly slow consensus Congress and a fairly slow consensus legislative enactment program in the next two years.

**MR. NESSEN:** We'll hear from Minnesota where we just had the unfortunate death of Senator Paul Wellstone and his replacement as Senate candidate by former Senator and Vice President Fritz Mondale.

Can you talk a little bit about that and how since the Senate is so narrowly divided, what effect is that going to have?

**MR. FRENZEL:** Again, a highly subjective look at it. We Republicans devoutly would love to raise Senator Wellstone from the grave. It looks as though former Vice President Mondale will be a clear-cut favorite in the election but it is by no means certain. Minnesotans are unusual kinds of voters, and certainly Coleman cannot be counted out at this point.

But following New Jersey, the Minnesota episode looks like it pretty much derails the Republican chances to gain control of the Senate in just particular elections.

I believe that Mondale has the advantage. As I indicated, I believe Coleman is still in it. The problem for Coleman is that he must show that he's better than Mondale. His preferred course is to tag the Democrats as looking backward instead of forward. It's very hard to do that without making Mondale a martyr, and I don't think you can do it in five days. It just looks like an insuperable problem.

Nevertheless the initial polls, which I don't believe mean much, were close enough that the Coleman forces are going to go all out.

**MR. NESSEN:** Bill Gale, finally your area of expertise, domestic policy, budget policy and so forth. What's at stake here? What difference will this election make for some specific things like budget,

tax cuts, some of the Social Security reform, some of those other issues that you're most interested in?



the other.

**MR. WILLIAM G. GALE:** There are two components to my answer. One is how the parties break out on the issues. I think that on all of the major domestic issues -- the tax cut, Social Security, Medicare, the parties have very different proposed solutions. So if you have the parties following their proposed solutions it would be easy to say that you could get very radical differences in policy depending on a couple of votes swinging in one house or

But the second part of the answer is what happens to those parties' positions when they get fed into the Congress and people compromise and make deals, etc.? That's where I think Tom and others are saying it's not going to make that much difference because ultimately you have to see these views through the political process.

But I think it's clear if you had Republican majorities in both houses with President Bush, you'd get a very strong set of proposals that set markedly different positions on issues than you would if you had a Democratic Congress.

**MR. NESSEN:** Play out a couple of scenarios and then tell what you think would happen with some of the key issues.

Let's say nothing changes. The Senate is still closely controlled by the Democrats and the House by the Republicans. Let's say the Democrats win control of both chambers. Let's say the Republicans win control of both chambers. What would those different scenarios do to the agenda that you've talked about?

**MR. GALE:** Let's talk about it in terms of budget and tax policy. If the Republicans control both houses you would get the tax cut made permanent, you get never-ending talk about tax policies as a way of drowning out all other domestic issues. The best defense being a good offense. On the budget I think you'd get lots of rhetoric about controlling spending as a way to impose fiscal discipline at the same time that you're cutting taxes. And it would be very unlikely that you'd get back into surplus territory because there would be tax cuts whenever a surplus came close.

If the Democrats take control of both houses I think you might see something more like what happened after '94 where President Clinton compromised with a Republican Congress, you might see more of the same with President Bush compromising with the Democratic Congress along all these issues.

If nothing changes, then nothing changes.

**MR. NESSEN:** Jim Steinberg, let me ask you to play out that same game with various scenarios of who wins control and how it would affect war policy and national security policy.

**MR. STEINBERG:** Ron, if ever there were even a strong case for this not making a difference it's in the area of foreign policy and national security policy. I think there are two reasons for that.

First of all, despite some movement back and forth over the years, basically foreign policy and national security policy are the prerogative of the President and if the President is determined to do something Congress largely doesn't stand in the way of that.

The second reason I don't think it's going to make much of a difference one way or the other is that there are not sharp partisan splits over these issues. Democrats are more reserved about action in Iraq, but still a majority of the Democrats in the Senate voted for the President's resolution. On issues of defense spending there's no serious debate going on. The Defense Appropriations Bill was passed overwhelmingly with an enormous increase and no real serious debate about that. There's no Democratic agenda left on treaties, for example. We aren't going to see somehow a revival of the Comprehensive Test Ban Treaty because the Democrats control the Senate.

You might finally get a homeland security bill passed if the Republicans took over the Senate to break the log jam on the labor provisions, but I suspect that will happen in any event.

On foreign aid, even the Republicans want to do more to help some of the developing countries. There's no serious debate about China policy any more. There's no serious discussion about how to deal with North Korea because the Administration has been handling it in a fairly low key way.

So it's hard for me to find any significant issues on which the control of the Congress makes a difference in foreign policy right now. The big issue will be what happens in Iraq and I think Congress will stand on the sidelines. If the President succeeds it's going to be his victory, and if he does not succeed it's going to be all his to take responsibility for.

**MR. NESSEN:** If the Republicans were to win control of the Senate and hold onto the House would it at all help the President in negotiating with the UN on Iraq?

**MR. STEINBERG:** I don't think it makes the slightest bit of difference. The President got an overwhelming vote from the Democratic-controlled Senate for the resolution that he proposed, and in some respects he's actually in a stronger position having a Democratic Senate vote for him because the message to the international community is that this is not a Republican or Democratic issue. It's an American issue.

**MR. NESSEN:** Tom, you look like you had a thought about that.

**MR. MANN:** No, not at all. I agree absolutely. There really is a contrast here between foreign and domestic policy.

Democrats would, in the majority in both houses if they were to achieve that -- I'm not forecasting that, I'm saying that that is one of the plausible outcomes of this election -- would be a little more aggressive in using their committee chairmanships, in setting the agenda to put pressure on the Bush Administration, particularly in the domestic arena, and to the extent anything began to go wrong either in the military phase of an Iraqi engagement or probably more likely in the post military phase, a Democratic Congress would probably be a little quicker to pounce on the Administration and to begin to sort of recycle the concerns that they voiced during the congressional debate.

But I think the important point here is one shouldn't think of changes in Congress making possible brand new initiatives. Those initiatives were taken with the tax bill, with the war on terrorism, with the authorization to use force in Iraq. Now it's a question of what kind of adjustments are made in those policies.

There, control of the chamber can make a difference.

**MR. NESSEN:** Bill Gale, you said something to me earlier this week that really stuck in my mind and I'm going to ask you to elaborate on it. You said to me where are the Democratic alternatives? Where is the loyal opposition? In other words what program would the Democrats pursue if they won control of Congress?

**MR. GALE:** I said that?

**MR. NESSEN:** Yeah.

**MR. GALE:** That's a really good question. [Laughter]

I think that in a lot of the areas—the budget, Social Security, taxes in particular—the Democrats have made a lot of fuss about opposing Administration initiatives but haven't really put forth alternatives of their own. You can't reach a compromise until you have two things that you're compromising between. So part of the reason it seems to me we've had some of the stalemate in economic policy is that there haven't been two sets of proposals to compromise between.

So the question is what would they do if they were in control? That's a good question. On the budget side if the Democrats control Congress with President Bush in the White House, I think you'd see something that looked like a budget summit. What we're doing right now is what I call faith-based budgeting. We've got unrealistic expectations, we've got no budget rules, the budget's in free-fall, and we've got the need for some stimulus now but long-term fiscal discipline. We've got these longer-term budget problems that are hanging over our heads. These are not issues that can be resolved one by one. It would make much more sense to sit down at the table and reach some grand compromise on them all at once. And needless to say, it takes two sides to sit down and compromise.

So I think if you saw a Democratic Congress but a Republican President you'd get something like that.



Now the Bush Administration right now says “no, we don't want to have a budget summit. The first President Bush had a summit and he violated his "no new taxes" pledge and he then lost the next election. I think there are two responses to that. One is there's no reason for the Administration to accept a budget summit right now as long as the Democrats don't have either a majority or a proposal on the table. The other thing is, if you look at the polls, the first President Bush's popularity was high and got even higher after the '90 budget agreement where he raised taxes. In fact after the war with Iraq in early '91, it was sky high. His popularity only fell after that when he squandered that political capital. But there's no evidence that I see that the '90 budget agreement caused him to be unpopular.

So if you get a Republican Congress on both sides, you won't see that, but if you get a Democratic Congress you will, if the Democrats put forth a set of proposals.



**MR. NESSEN:** Is one of the reasons the Democrats haven't put forward a set of proposals a tactic it's better to be on offense than defense? You don't want to give the Republicans a specific target to shoot at?

**MR. GALE:** Well this is something that I always wonder about. There are always two theories. Either they know exactly what they're doing or they have no idea what they're doing. [Laughter] My sense is usually that they know exactly what they're doing, so maybe that's what they have in mind. Maybe they feel like with a Republican House and a Republican White House anything they propose will just be bashed and they'll lose. But the fact is there aren't these big sweeping Democratic proposals out there to counter the proposals that the Republicans are pushing.

**MR. MANN:** I think the explanation is simpler. It's very straight-forward. A number of Democratic senators voted for the Bush tax cut. Those same Democratic senators are in the most threatened reelection contests for the national Democratic Party. If the leader of the Senate Democratic Caucus were to say we are going to freeze the last phase of the Bush tax cut, that would them in a very awkward position at the very time he's trying to hold on to the marginal seats and maintain control, to be able to do something after the election. It would be especially futile in a situation where you fully expect the President to veto such actions.

So they have calculated that it doesn't take a dramatic alternative, policy alternative, in order to reap political benefits from an economic referendum. Referendums work primarily by swing voters saying are things going well? If so, let's stick with the status quo. If things are going badly, let's take it out on the party of the President. That's how it's worked in the past. In a mid-term election the Contract with America was an exception to the rule, not the norm, and there's not much evidence that the contract itself was instrumental in producing that big Republican victory.

We don't have huge economic discontent. We had 3.1 percent growth in the GDP in the third quarter. It's probably going to slow to one or less in the fourth quarter, but it's not a horrible situation like it has been in some previous reelection years.

There's economic anxiety but we have a popular President and a war against terrorism so there's nothing on which to base a really dramatic Democratic alternative. They're being pragmatic, they're fighting at the margins, they're hoping for some last-minute national political ripple that will make itself felt in turnout differentials, in intensity, and in last-minute decisions of swing voters. And Tuesday night, or in a week or two afterwards when we get the results of the election we'll know whether the gamble paid off or not.

**MR. NESSEN:** You said something initially that intrigued me which is that you expect we're going to be pretty much of a 50/50 nation after the election, but that you saw some small chance that there would be a substantial swing to the Democrats. How do you --

**MR. MANN:** Here's what I'm saying. I think it is patently foolish to rule out any potential party control of either chamber, and what I found is most analysts acknowledge the possibility of a Republican takeover of the Senate but think it's less and less likely. But almost no one acknowledges the possibility of a Democratic takeover of the House.

Now there's a six-seat majority and it's not the President's party, but the out party that needs to gain those six seats. Just given historical patterns, given economic insecurity, you have to allow for that possibility. Even if there are only three dozen competitive seats, if you get at the end a little breeze blowing and there are some signs of this. The President's approval ratings are now settling back down before the Iraq project was rolled out in late August or early September, they're settling around 60 and could by next week be into the high 50s. Economic anxiety is increasing. This is a nation ambivalent about military action in Iraq and therefore it seems to me the possibility exists for a late minute breeze. As I said, not a tide, but a breeze that could have a tipping effect. We see it happen so often in our politics that I think it's foolish to rule out the possibility. I'm not saying it will happen, I'm saying it could well happen.

**MR. NESSEN:** In '83 Reagan's party lost 26 seats in his first off-year election, and in '94 Clinton's party lost 52 seats in the first off-year election. That's more than a breeze.

**MR. MANN:** Much more, and remember, George Bush and the Republican Party don't have many seats to lose because in 2000 the Democrats gained seats in both the House and the Senate. So there are not a lot of seats at risk as there was for Ronald Reagan.

And remember, we were in a recession in 1982, and in 1994 there was a tremendous reaction against the party of government. There was still economic anxiety after the earlier recession and a reaction to the failures on the crime bill and the health reform bill. I don't see any of that sentiment one-sided existing in this election which is why most analysts believe the national political picture has produced countervailing forces that are going to lead to a draw at the national level and therefore they're counting seats from the bottom up.

What I'm saying is that some hint of a modest ripple or breeze at the end that could tip a few

seats, but at most it would produce a two seat, three seat Democratic majority in the House.

**MR. NESSEN:** And so, Sarah if that is the case, and you're the expert on legislative gridlock, let me ask you about some specifics of gridlock and what's likely to happen in the next two years.

As you know, a lot of judicial appointments and other appointments have been held up in the Senate where they require confirmation. Is that going to continued?

**MS. BINDER:** This is one area where partisan control of the Senate does make a big difference and we can look back on the numbers in the 1990s to see what specific difference it makes.

This current Congress we have some things, if you look at District Court appointments to the bench, roughly two-thirds of them actually were confirmed. That's a little higher than I expected in all the noise about judicial appointees. But the Appellate Courts, the higher levels courts, those were under, roughly 40 percent were confirmed. Those are numbers that really hurt the President in trying to put his folks onto the federal bench.

Those numbers actually, despite all the [inaudible] this year are essentially identical to the last Congress where again we've had divided control but with a Democratic President and a Republican Senate. So here of course we see party control does matter.

We can reach back a little further, what happened when Clinton actually had a Democratic Senate, where he got confirmed roughly 80-plus percent of his nominees, which is a much higher percent than we saw in the Bush Congress that preceded him.

So party control does make a difference on the judicial nominees because, particularly the judiciary committee can control the timing of nominees going to the floor and the minorities tend to be reluctant to filibuster these less salient judicial nominees.

So party control matters here. So in this scenario what happens if Republicans do gain control of the Senate, we should see an increase first probably, possibly in the speed with which these nominees are considered, but also in the end game, the percentage of these nominees put onto the bench.

If reelected Democrats clearly [inaudible] status quo in terms of percentages of nominees that get onto the bench.

**MR. NESSEN:** There's a story today saying the Bush White House is exploring a plan to change the process for confirmations, particularly judicial confirmations. One of the features would require a vote of the entire Senate instead of having the judiciary committee be able to stop nominations at that level. Do you see any possibility of that getting through?

**MS. BINDER:** If you look back in the fall of 2000, maybe a week or two before the election Bush came up with a somewhat similar plan, so he's got a history of making pre-election [inaudible]

judicial nominees. That really falls on deaf ears at least at this point for the Democrats in the Senate.

For that to happen the Senate would have to change its rules, expedite to give fast track to judicial nominees. It's not an idea that outside the context of the elections the Senate perhaps should think about, but in the context of proposing it before the election it lands on deaf ears there.

After the election are they likely to consider it? Probably not. Both sides in the Senate want to retain some control over their ability to provide advice and consent and having an automatic timetable. That often rubs senators the wrong way, even though they've done it on other issues -- budget, trade and so forth. It's not out of the question they might actually [inaudible].

**MR. NESSEN:** My impression is that one of the reasons for at least part of the gridlock is both parties in some cases are more interested in developing an issue for the next election than they are in chalking up an accomplishment. First, do you agree? And secondly, do you think it will continue?

**MS. BINDER:** There is certainly a lot of evidence, we can point to recent elections to show that. In the two years before an election, regardless of whether it's a mid-term election or a presidential election, that often we say that both parties would prefer an issue rather than a bill or a law. And party leaders, in fact have been pretty explicit about that. Often Daschle would go to the Floor in 2000 and say well, we win either way regardless of whether it's a bill or just an issue.

That said, if we look historically over what happens in the run-up to presidential elections, do we get higher levels of stalemate? It's not that neat. There's no neat pattern there. If we look back at the '96 presidential election, and they actually got a fair amount done. We had landmark or at least major welfare reform, we had some major environmental laws passed, we had a minimum wage increase in '96. So in that context we might say well, they just wanted an issue when they didn't want an issue, they wanted something to go home and campaign on.

There's no neat connection here between presidential dynamics and whether you get gridlock or not.

I think more important in predicting the level of stalemates in a particular Congress is first of all, divided government which we may or may not have, but also this degree of polarization between the two parties. It matters a lot whether or not there's anybody in the middle if there's a political center, and by all marks so far it looks like we haven't had a political center in recent congresses, we're not likely to have a huge one. Granted were losing Phil Gramm on the right, Jesse Helms on the right, Strom Thurmond on the right, Paul Wellstone on the left, so there is some middling away, combing away of the edges there, but we don't see any big movement to the center likely to happen after the election, and ditto therefore the House.

Another issue in terms of determining how much gridlock you get is the relationship between the two chambers. I think this is a little underappreciated. Sometimes we can point, particularly in the last couple of congresses, to divisions actually within the Republican majority helping to stall issues.

The Patients Bill of Rights. Some of these are partisan differences, but some are real differences between House Republicans and Senate Republicans. We can list a whole host of other issues that have come up in recent years where these bicameral differences matter a lot and make it very difficult to activate the policy change.

**MR. NESSEN:** One of the deadlocked bills, of course, is to create the Homeland Security Department. It was announced with great fanfare and this was described as essential to getting organized for the 21st Century war on terrorism and so forth. Now it's stalled on what I would guess to most voters seems the very arcane issue of union rules. Do you see the election outcome having an effect on getting that out or keeping it stuck?

**MR. STEINBERG:** I think if the Republicans were to control the Senate it would certainly help getting it out. I think this is a classic illustration of the point that you and Sarah were discussing about wanting to keep an issue for an election rather than get something done. There were obvious compromises available. They were around. And there was no appetite for trying to seize that compromise. I'd guess even, irrespective of how the election comes out, that that's going to happen. I certainly hope so because this is really one of the most disturbing examples of a very very serious consequence of this election posturing. Because although as you know some of us have been critical of the specifics of the Homeland Security Department, everybody agrees that something needs to be done. Meanwhile with the uncertainty about this is having an enormous impact on our homeland security effort and the recent report by Senators Rudman and Hart just an illustration of how serious this problem is.

So I think there will be a fair amount of pressure on both sides to get on with it, and once we're out of the glare of the election, that readily available compromise—which is to find some way to give the Administration some flexibility to deal with assigning personnel in this new department, but not having it be entirely arbitrary—is going to go through, and I don't think that will depend on the outcome of the election.

**MR. NESSEN:** But you believe that the bill actually is important, will have an effect on the war on terrorism, because a lot of what's done in Washington, of course, is done for effect or impression. But you feel this is really vital.

**MR. STEINBERG:** What I think is important is that we get on with it. One of two things has to happen. Either we have to go forward with this consolidation or we have to radically reform the agencies that exist now. Nobody is going to do a lot of radically reforming the existing agencies if they think in a year's time they're going to be abolished and consolidated into this new department. So we're in a real gridlock here which is a total stall on the homeland security agenda for most of these vital agencies like the INS, the Customs Service and the like. And it's understandable that these administrators are not going to undertake radical reform at a time when they don't even know what their future is.

So we can live without the department. There are other ways to handle this, but we've got to

have a national decision one way or the other.

**MR. NESSEN:** Bill Frenzel, one outcome of next Tuesday I think is probably pretty clear already, and that is that fewer than half the voters are going to go to the polls. Why is that?

**MR. FRENZEL:** We have seen a decline in turnout for the last 40 years. A little bit of an up-bleep in one of the Clinton years. I expect that next Tuesday's vote is going to be at the 1998 level or maybe slightly below.

**MR. NESSEN:** which was?

**MR. MANN:** About 35-36?

**MR. FRENZEL:** No, it was more than that. About 43, I think.

At any rate, less than half of the eligible voters going to the polls.

I think there's a lot of divided opinion on this. When the Commerce Department used to poll on this a large number of the respondents said it doesn't make a dime's worth of difference, won't improve my position one inch if X or Y is elected, and therefore I'm not going to vote.

There are those who believe that aspirations have been dashed and therefore people don't vote because they think they're not getting a square deal anyway.

My own guess on this is that people don't see enough relationship to themselves. I sort of believe in the old Tip O'Neil theory of the fact that politics is either regional or local. You see a little bit in this election as the national issues play differently in different areas.

I think until candidates begin to campaign as though they were more local, I don't think the turnout is going to improve. I believe campaigns have become kind of cookie-cutter deals where you bring in the outsiders and you work on issues that may or may not be important to the locals, but somehow the locals don't get identified with the candidates and I think that is one of the major problems.

Another one may be the maturation of our society in which people simply are disinterested. I hope it's a curve that changes but we have no indication that it is yet. So --

**MR. NESSEN:** Generational?

**MR. FRENZEL:** Well, it's always been generational, that the lower age categories vote the worst and then you maximize between 55 and 65 and then it tails off a little bit beyond that. But that's always been with us.

**MR. NESSEN:** Tom, you had a thought?

**MR. MANN:** Bill's taken the high road with this good government approach to turnout levels. I want to take a hard-headed partisan approach which is will differential turnout have any impact on the outcome of the election?

The way to think about that is one, demographic difference in the coalitions of the two parties. A second, is there an intensity advantage because of a particular set of issues or conditions operating in the election. And third is the nuts and bolts of get out the vote operations in districts and states around the country.

I think if you looked at this you'd say that Republicans certainly have the demographic advantage, the profile of Republican voters includes people more inclined to turn out even in mid-term elections than is true of Democrats.

On the get out the vote, the third factor, you give the nod to Democrats. Republicans have put more money into this operation but the fact is Democrats with their allied interest groups, in particular the labor unions, just have better get out the vote operations and have probably put more resources into it.

We're going to learn how much get out the vote you can buy in Texas where the Democratic gubernatorial candidate Tony Sanchez has put a huge amount of resources into trying to turn out Hispanic-registered voters who haven't in the past voted very often.

But that leaves that middle factor, the intensity factor. You go back to 1974 and it was the Republicans who were so discouraged after Richard Nixon's impeachment and the economic downturn. You flip to 1994, it's the Democrats who are discouraged and stay home.

What we've been trying to figure out is, is there an intensity differential this time? If there is, it's modest. It's very hard to see. As Bill suggested, there's broad public disengagement from this election.

Interestingly, the little differential signs we see comes out of Iraq. Jim talked about the President using Iraq to frame the public discussion and agenda to his advantage. But now when we look at the poll results it seems that people who feel strongest about this are those who actually oppose military action in Iraq and may help Democrats turn out some of their constituents.

It will also be important to see that racial minorities, black in particularly, and whether the legacy of November 2000 and Florida helped to sort of reenergize the African-American community.

There's not much sign of that in my own state of Maryland where Kathleen Kennedy Townsend is having some difficulty mobilizing black voters in Baltimore and other parts of the country.

**MR. NESSEN:** Which may also be because of our own candidacy, rather than some national trend among black voters.

I wanted to go to a question from the audience. First though, very quickly, just two things. One is there are 36 governor races on Tuesday. Some of them in major states like New York, California, Massachusetts, Florida, Texas. Tom can you rather quickly share your thoughts on that? First of all, why is it important and what do you think will happen?

**MR. MANN:** Governors are important in their own states. A lot of policy gets made at the state level. So the political composition of the Governors and of the state legislatures they deal with is very important in the individual states, but this is also important in the national study because most -- while many senators are called to the presidency, few are chosen. [Laughter] Most of our Presidents get recruited out of the governorships or from people who have served as Vice President before.

It's also a place of policy innovation and incubation. Republicans came forward in the 1994 election with a very impressive class of governors who I think set the tone for much policymaking and thinking.

What happens there is important.

Finally it's important because a party's presidential candidate would prefer to have battleground states controlled by his party -- at the margin it can make a difference.

Those are the reasons to care. What we're seeing is Republicans now having to pay the price of their victory in 1994 and 1998 and to face the reality of term limits. So there are a lot of popular Republican Governors gone, they're open seats, and the states are now under severe fiscal stress, all of which makes it likely that Democrats will pick up a substantial number of seats. That's true certainly in Illinois where there's a corruption scandal problem for the Republicans; it's true in Michigan where Engler has been very successful, but people are tired of him and Democrats have nominated a very strong candidate; it's true in Pennsylvania, a critically important state in presidential politics where Ed Rendell is coasting to victory. And then you have a host of other states some of which are competitive in presidential politics like New Mexico, Wisconsin, Arizona, Maine, where Democrats have a good shot at picking up seats.

Republicans aren't without their targets of opportunity. As I said, one is my own home state of Maryland. Two Democratic Governors in Alabama and South Carolina are being pressed for elections, and some of the Republican victories may come in small states such as Alaska and Hawaii.

I would guess when the dust settles you will see Democrats controlling a substantial majority of governorships. I think the one race that has the most national significance is Florida, of course, where Democrats managed to nominate their preferred candidate, but Bill McBride has now encountered some rough weather and is being substantially out-spent in the last couple of weeks of the campaign. That now looks as if Jeb Bush will hold the race. But if we get some turnout effect down there and a surprise, you will find that that race takes on enormous significance in interpreting the meaning of the



2002 mid-term.

**MR. NESSEN:** There are some people who think the Florida Governor's race, if Jeb Bush is defeated, would be interpreted as an indirect shot at his brother in the White House.

**MR. MANN:** I'm shocked to hear that. [Laughter] Actually, there's no need to worry. I heard Catherine Harris in her last official act as Secretary of State before announcing her candidacy for the U.S. House of Representatives certified Jeb's election. [Laughter]

**MR. NESSEN:** I thought you were going to say she gave up her mascara.

**MR. FRENZEL:** I don't disagree with Tom's analysis. I think Republicans are going to lose governorships from Pennsylvania across the Midwest probably into Wisconsin.

The four largest states, in my judgment, are going to stay about where they are. That is New York, Florida, Texas, and California. And those are the states most likely to produce eventually some kind of presidential candidate. But still, where the Democrats are going to gain in the heartland, those are potential producers of presidential candidates as well. When it's all over the Democrats will have I believe not a big advantage, but a small advantage in total number of Governors. I believe that will be their principal bragging right coming out of this election.

**MR. NESSEN:** We want to take questions from the audience now. I will say there's a lot more information about politics, Congress, foreign policy issues on the Brookings web site at "Brookings.edu" so after this conference you can go there and find more information.

We have folks with microphones so when you're called on wait for the microphone to get to you, stand up and identify yourself. Let's start here in the front row.

**QUESTION:** [inaudible] from the Boston Globe.

I have two questions. One, do you think that the President's personal popularity will translate into any gains in the House races? And secondly, what role do you think the early voting in 16 states will have on the election?

**MR. MANN:** Presidents can seldom do any good for their parties' candidates in mid-term elections but they can do a lot of harm. By keeping his approval ratings above 60 percent, President Bush has kept the economy from becoming a dominant negative force working against his party and producing substantial losses for the Republican party. But I am drawing on history. I am deeply skeptical of any impact of the President's travels around the country on the outcome of the election. I think he does most good by raising a lot of money for his party and his candidates which he has done, and by trying to keep himself out of political trouble and therefore not being a burden. But I don't think he's in a position to convert his personal approval ratings into political currency for Republican candidates around the country.

The whole phenomenon of early voting, of no excuse absentee balloting, of voting by mail has transformed the campaign process. The parties are now deeply involved in strategies to get their people to the polls early. Typically the ones that they try to turn out are obviously those regular party voters who if they don't vote early might not get to the polls otherwise. The danger is, of course, that late-developing campaign events don't have a bearing on the outcome of the campaign. How that works, in this case that may work to the disadvantage of Democrats if we're getting some last minute modest trend in their direction.

What I say is it's worked in different ways in different states. There are some signs that the Texas Democrats have used the early voting process quite effectively, and yet in other places the absentee balloting process seems to have worked best for Republicans. This is speculation because we don't have any hard evidence on this.

What I will say finally is all of this is going to greatly confound election night coverage by the networks. They are terrified about using exit polls to forecast the outcome of the election. They're trying very hard to get independent surveys of early voters, but it's very difficult to do, lots of uncertainty as a consequence.



**MR. FRENZEL:** I think the Presidents have had decreasing coattails over recent political history. They have the least coattails of all in the off-year elections such as this one. But if the election turns out the way Tom and I and others are speculating, the Republicans will turn out to have lost less in the off-year election than the average, and therefore I think you have to say the President has exercised a positive influence on the election, and Tom has delineated that fundraising is probably the most important one of those. But another one is his own popularity. A third is keeping the foreign policy part of the debate at a high level and eclipsing the economy part of the debate. So I think it has been a very positive effect.

**MR. NESSEN:** And Jim, you would say that between now and next Tuesday the Administration is unlikely to do anything dramatic in foreign policy.

**MR. STEINBERG:** I'm sure there's a compelling internal reason why they haven't forced the debate at the UN this week. But the nature of the discussions up there are such that the moment the Administration sets a deadline that will force a resolution and it's clear that they have not chosen to do it yet.

**QUESTION:** Denise [inaudible], I'm Congressional Editor for Aviation Daily.

I wonder if the panel can [inaudible] down for just a second and take a look at how a change in leadership on either side is going to affect aviation issues, specifically whether, for example, a Democrat House would be more willing to fund and staff TSA at the levels they're asking for. For example consumer protection legislation, safety legislation, expansion of deadlines for installing EDS equipment.

Or whether this is an issue that's really bipartisan and what we see right now is what we get.

**MR. STEINBERG:** I would say on the homeland security front and putting TSA in that category, it's been surprising that actually the Congress is more supportive on the whole of funding homeland security initiatives than the Administration has been. And even some areas where the Administration has nominally proposed increased funding, they don't seem to be fighting very hard for it. I think it's a very important political issue which has gotten practically no attention at all, but it is really quite disturbing that despite the fact that there is a level of congressional support, that the Administration seems to be taking sort of a tacit budget balancing approach to this rather than promoting its own agenda.

So I don't think the election's going to make more of an impact, but I think the question will be is this going to get elevated as an issue potentially by Democrats who made a big run at it last spring who made a number of proposals for increased funding on the homeland security which would include aviation safety.

**MS. BINDER:** I'm no expert on aviation issues or transportation issues, but the type of issues you raise, if there is Democratic control, those are types of issues if we think of them in terms of agenda control, there may be more discussion about them. Just take the bankruptcy bill that's been stuck in conference over consumer issues. Those types of issues may get a better hearing from Democrats if they are in control of the committees. But also any of these bills that are the spending bills or policy bills, the President will weigh in on them and the bottom line there makes it tough to see any great change in policy outcomes given divided control, even if Democrats do control the other chamber.

**QUESTION:** Edward Falkowitz of [inaudible], Minnesota.

Let's give Lawtonburg and Mondale victories. Where would we expect them to settle in the Senate? Especially Mondale. How would the Senate of today affect him, and how can he be different than Paul Wellstone?

**MS. BINDER:** I was actually wondering about Mondale and what a shock it would be to him were he to get elected. He left there in 1976 and there really wasn't, we talked about the '70s as sort of the nadir of political parties in the 20th Century. There were none of these or very few of these tight-fisted partisan battles. And obviously he's no stranger to politics since then, but walking back into that chamber I think is going to be a bit of a shock to him. But if he divides the, I guess you'd call it the one week [inaudible], so they said, he's going to find it different. Granted, he's got enough standing amongst Democrats that he will sort of be on his own to some extent, but I think he will find the partisan issue chamber much much different. How the Senate treats his seniority is a question up for debate. That could be negotiated. They start to negotiate over seniority once Jeffords switched over to the Democrats, and Lautenberg apparently wants to make sure that he got credit for his time served so to say. [Laughter] -- but my guess is there will be pressure [inaudible] within the Democratic Party.

**MR. MANN:** ?? It sounds right for New Jersey, doesn't it? [Laughter] Sorry about that.

I think Lautenberg's Senate focus will be more committee centered and Mondale's more floor centered. Mondale may well profit from a relatively new rule in the Senate Democratic Caucus and become the Deputy President Pro Tem. I could see him spending more time on the floor, trying to speak on behalf of the institution, some of what Bob Byrd does but in a less sort of offputting and irritating fashion -- [Laughter] -- as well as picking up on Wellstone's tendency which was to give speeches on issues of real importance to him and his followers, focusing on social justice.

So I actually think Mondale is going to become, if he is elected, quickly a very visible figure in the Senate, spending a lot of time on the Floor and playing those two roles.

Lautenberg's career in the past suggests he tends to get involved in issues having to do with smoking bans and some transportation issues, other things that I think he's likely to continue in that mode.

**MR. FRENZEL:** If these two men are elected the Democrats will have finally satisfied their Strom Thurmond envy. [Laughter]. These two young fellows will assume their places in the Senate. Frank Lawtonburg was never known as a warm fuzzy fellow and I think he will have less trouble adjusting to the Senate which is no longer the kindlier and gentler Senate that Walter Mondale knew in the '60s and '70s. I think it will be more difficult for a newly-elected Senator Mondale to find a role and perhaps the one that Tom suggests might be one, the senior statesman and perhaps a person that can negotiate some differences. But I wouldn't see him plunging into the duties of a junior senator on the Committee of Agriculture and learning all the new tricks in that game.

**MR. STEINBERG:** I do think on foreign policy that Mondale is likely to become a very visible spokesman on the Democratic side. He was always, both as a senator and Vice President, deeply focused on foreign policy issues. In his post-Senate career, he was Ambassador to Japan, his law practice has focused on East Asia, and I think he will have instant credibility on these issues. There are not a huge number of senior Democrats who really identify with the foreign policy agenda. So I think along with Biden he really would be a dominant voice for the Democrats on foreign policy issues.

**QUESTION:** [inaudible]

Recent polls show that [8] percent voters make decisions on election day. So my question is what [inaudible] them to make [decisions].

**MR. NESSEN:** The question was, polls show that 8 percent of the voters make up their decision on election day and what would motivate those decisions.

**MR. MANN:** Don't take too seriously that number. What we would say is the vast majority of Americans who eventually go to the polls on Tuesday have already decided how they're going to vote. We will get 90 percent of the Republicans voting for the Republican candidates and 90 percent of Democrats voting for Democratic candidates. The others are attracted to an incumbent who is

especially attractive to them.

I think rather than looking for what moves swing voters, the key is what gets people to turn up on election day. I think in the end rather than looking for undecided voters to make up their mind at the last moment or to get conversions of people changing their minds at the last moment, what you're really talking about now is people who have already decided, either showing up at the polls or not showing up. That's going to be a function now in many respects of the intensity of campaign efforts on the ground to excite people and to make the physical connections to get them to the polls.

**MR. FRENZEL:** ?? The vast majority of Americans will tell pollsters that they voted in the last election, so perhaps they're fibbing also about when they make up their mind.



I think what drives them to make up their mind on the last day is that it is the last day and they react just like politicians. When it comes time to make a decision they have to make one and they do.

**MR. NESSEN:** Bill, sometimes people will turn out to vote so they can vote against something and sometimes they turn out to vote so they can vote for something. So what is it going to be this time, do you think?

**MR. FRENZEL:** I think the standard rule is that your vote is driven by negatives more than positives. I remember, for instance, people voting for me from the standpoint that I was a known horror rather than an unknown horror. [Laughter] I think that's what people are going to do and that's why incumbents get a heavy tilt in all these elections.

**QUESTION:** [inaudible], George Mason University, Political Science.

There's some talk a little a bit about the Democrats having a lack of a program or initiative or a message and I wanted to push you a little bit on that. I think it might be more of a deep-seated problem. There's actually a leadership problem in the Democratic Party, but there's not a reliable messenger for any type of program or initiative, whether it be offensive or if it would be a defensive type of posture.

So my question is how are the Democrats going to remedy this, why does it exist, and when will they remedy this?

**MR. NESSEN:** Bill Gale, you raised that issue, so do you want to take a whack at it?



**MR. GALE:** Sure. I think those are very good questions. I don't think the lack of an agreed-upon heir apparent is why there's not a big policy initiative. For example, Republicans in the Clinton era didn't have an heir apparent—it certainly wasn't George W. Bush---, and to the extent it was it was Newt Gingrich, he then self-immolated. But they continued to push a very aggressive program of reform. Democrats don't really seem to be doing that

now. That's all I can really say about it, although I'd like to hear maybe what Tom has to contribute.

**MR. MANN:** My view is that Bill Clinton was doing precisely that, and after the 1994 elections. He had the advantage of the bully pulpit in the White House and had framed a Democratic public philosophy that was center, center left, and there were signs that it actually resonated with the majority of citizens. That was squandered in the era of scandal, and the loss of the presidential election and President Bush's success in passing his tax cut has created a new reality that frankly makes it impossible for the Democrats at this stage to have an alternative leader and an aggressive agenda. It seems to me they will wait until the nomination politics are resolved and they have a presidential contender. Only at that point do I believe they will be in a position to offer a clearly visible national alternative to George Bush and the Republicans. Until then it will be incremental.

**MR. FRENZEL:** They do have a policy and it is that the election is so close in both houses that they're using what we call a prevent defense. The only offense is directed towards the very known, most aggressive constituencies. Everything else is play it safe. Gephart and [inaudible] will support the President at center on foreign policy. You may not like that and think it's much of a policy, but that is the policy for now. When it's going to change will depend on the players after this election.

**QUESTION:** [inaudible] I wonder if you could comment, and I'd be interested in the views of the others in the panel about surprises from this election. What have we learned in this campaign that we didn't know before it began about how voters react or about which issues resonate? What have we learned?

**MR. MANN:** Susan, I don't think we know what we've learned yet. We will have a better sense of that on election day, or I should say the day after or the week after elections, whenever ultimately the results are in.

I think we are -- We have puzzled over Iraq and the ability of a President to lead public opinion, and the jury remains out. He won a stunning political campaign with the Congress. It isn't clear yet that he's persuaded the country of the wisdom of this action.

We've been trying to grapple with the meaning of the economy, and typically when economic conditions sour and we had such a series of pieces of bad news from the stock market collapse to the corporate scandals. Take increased unemployment. We expected that to become more of a focus and yet it seemed to have been neutralized by other considerations.

This country has gone through more dramatic and traumatic national events in a two-year period than any comparable period save perhaps the Civil War in American history. You begin with the closest and arguably most controversial presidential election in history; the first time ever between elections a change in party control of the Senate; 9/11 and everything that flowed from it; the economic reversal of fortunes; and a \$300 billion turnaround in the federal fiscal balance sheet; dramatic corporate scandals; and now a movement towards preemptive if not preventive war. That's a lot to take. We don't know how citizens, ordinary citizens who after all don't invest a huge amount of time following politics and

public affairs, are going to reconcile all of these events and factors.

There's a sense that there's still a real patriotism, a national unity, a belief we ought to support our President, and yet you see a return to partisan reactions to the President and to policymaking initiatives, suggesting that in spite of all this change we are rapidly moving back to our 50/50 partisan divide in our politics.

I think one of the things we're going to look back on and speculate about is whether the President had an opportunity after 9/11 to chart a different course and to try to end that 50/50 divide by broadening his appeal, co-opting Democratic issues and interests, and in moving more in deed as well as in word towards the center. I think he decided not to do that. That has produced what I consider to be the most poisonous atmosphere in Washington since I came here 30 years ago. That means almost a certain retention of this kind of highly competitive and at times ugly partisanship. Maybe he had no realistic choice, but just as Bill Clinton squandered an opportunity for Democrats to try to break out of this tie and build a Democratic majority, so too I think President Bush has decided not to take the risk to try to develop a similar majority for the Republicans.

**MR. GALE:** Coming back to the original question, what did we learn? I agree with Tom, we haven't learned it yet but one of the things that we might end up learning is that the view that "it's the economy, stupid" doesn't apply as strongly or as much as some people have claimed.

If this election were about economic issues, if it were a referendum on the state of the economy, the state of the Administration or Congress' response to sort of persistent issues like pension reform, health care, things like that, the economic forces would play very strongly in the election.

My sense is they're not going to play very strongly for all the reasons that people have talked about and that might cause some reassessment of the mechanical importance of the economy in election results.

There are all these models out there that look at GDP and unemployment and forecast who's going to win. One of the odd things to me is that political scientists seem to like those models more than economists do, which is a reversal of every other type of model in the world. So I remain skeptical of them. It will be interesting to see in this election how the economic forces play out.



**MR. NESSEN:** One of the things, and maybe you're going to quote from it, is the Andy Kohut poll coming out this afternoon, and it shows the ranking of economic issues.

**MR. STEINBERG:** Two points. One, the ranking of the economic issues, but second, I think the other thing we've learned here is that Americans are a lot more multilateral than we gave them credit for being and that the Administration gave them credit for being.

The numbers on those who support action in Iraq without allies is down now to 27 percent. That's a very low number. It was 33 percent in mid September. So I think we're seeing play out very visibly both in public sentiment and in playing into actual policies is the sense that Americans do value the ability to work with others, do think that while we need to be active in the world, it is quite important to work with others. We've seen this consistently in polling. The Chicago Council on Foreign Relations has been polling on this issue forever, but it didn't seem to be affecting action. But I actually think for the first time we're seeing a very clear indication that it is having a political impact.

**MR. NESSEN:** And the other thing you see on here is when asked for the top ten most important news events of the year, the economy ranked down at number eight in the Pew Poll.

**MR. STEINBERG:** True, but it's a funny poll. Viewing the news, viewing stories about the economy aren't as exciting or as riveting as a sniper and --

**MR. MANN:** -- Kidnapped children.

If you ask people what's important to them as they go to the polls the economy ranks number one.

**MR. NESSEN:** We will take about one or two more questions.

**QUESTION:** Bennett Ross, Houston Chronicle.

The White House is already spinning this election to their advantage with officials saying if we just retain the House we've defied history. The question is what does that mean? Can you take that to the bank the day after the election? And is Bush going to stand up and say well now I have a mandate for my program because I've defied history.

**MR. FRENZEL:** The White House is spinning? I'm shocked. [Laughter]

**MR. MANN:** Retaining the House won't do it. If they pick up seats then we only have 1998 and 1934 in recent history. But remember, we've had other elections like this. Look at the 1962 election where Kennedy had lost seats the Democrats had in the presidential election and as a consequence lost only a couple in the following mid-term election.

I think the spinning is silly. What it suggests to me is that there is some concern that last minute momentum may be moving against the Republicans and that becomes embarrassing because the President has invested so much of his time traveling around the country.

Democrats concluded that Bill Clinton made a mistake in the past, certainly in '94, in spending so much time on the road unless it was for fundraising. That he couldn't really do much in those individual districts. He would have been better spending his time back in Washington trying to frame the national debate in a way that worked to the advantage of Democratic candidates. I think if in fact the



Republicans now lose seats in both houses, and if the number of seats in the House that they lose is substantial enough to give the Democrats a shot at taking control, it can't help but be defined as a setback for the President.

**MR. FRENZEL:** I have it a little differently. I believe that if the House Republicans retain control the President can say that he has defied the trend of previous elections and won the off-year election. On the other hand the Democrats can claim that, and I think they will be able to claim, that they now have a majority of Governors and they won in the state elections. Everybody will have something to talk about.

What I think we have learned so far, however, is that the country is still very closely divided and until the new man reform law kicks in, money is still king in elections. And the third thing we've learned is that the public is not fascinated with the issues that national politicians and the national press believe should fascinate them.

**MR. NESSEN:** We're going to take one more question. I want to remind you that a week from tomorrow on the 8th of November we will have another forum here to analyze the results of the Tuesday election. Some of us may be embarrassed by what we forecast here today, but that will be a week from tomorrow, November 8th, here at 9:30 for a post-election analysis.

One last question.

**QUESTION:** Rafael Garcia from the Embassy of Mexico.

My question is, if there is willingness from the President to pursue immigration policy, in particular in granting the three million undocumented Mexicans permission. Do you think it's easier to do this through a Democratic or through a Republican Congress?

**MR. STEINBERG:** I don't think the President has much enthusiasm for the issue so I don't see that this is going to get framed very seriously as an issue for Congress.

I think that what we're seeing now, and it's not just Mexico, an extraordinary backlash against migration to this country. The new rules that the Justice Department is imposing are placing an enormous strain on the whole issue of people coming into this country. I would be surprised in the near term if the Administration is prepared to take any measures that would ease up in that direction.

So I think that, if the President doesn't take the lead on this I don't think Congress is particularly pushing it on its own.

**MR. FRENZEL:** I agree. I think it is, in some respects if you are for a more open immigration policy you would hope the President will resist sending one to the Congress at this time in our history.

**MR. MANN:** I would say, if you just listen to Gephart and what he's saying about this issue, it

suggests to me that a change of party control in the House would make a difference because Democrats would push this issue and it would create some problems for the Administration in their overtures to Hispanic voters. I think basically the labor movement has made peace in many respects with this and Democrats are sort of more inclined to move forward with it. So it would not be a presidential initiative. If anything it would come out of a Democratic controlled Congress.

**MR. NESSEN:** Thank you all very much for coming. I hope we'll see most of you next Friday.

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