

January 15, 2008

## Where They Stand

A look at the presidential candidates' positions on the five biggest challenges facing America.

By **Pete du Pont**

Three states down (Iowa, Wyoming, and New Hampshire), and 47 to go. Seven candidates--from Hillary Clinton, Barack Obama and John McCain on top, to Mike Huckabee, Mitt Romney and Rudy Giuliani in the middle and John Edwards at the bottom--are still in the race to become the next president of the United States.

In the beginning Mrs. Clinton was the Democratic establishment's winning candidate. But with her loss in Iowa and her position as underdog in the New Hampshire pre-election polls, the more liberal Mr. Obama was assumed to be the likely Democrat nominee. He still may get the nomination, but a massive national Clinton effort led by Bill and his presidential contacts may get her to the top.

On the Republican side, the ultimate outcome is far from clear. Messrs. McCain, Romney and Giuliani are still serious candidates, and while

Mr. Huckabee would like to be, his lack of a national organization and his policy beliefs (a national sales tax, limiting free trade) and his history of raising taxes as governor of Arkansas are unlikely to appeal to most Americans.

But the political ups and downs of the candidates and the electricity of the campaign--"I am promising change!"--matter much less than the substantive policies the next president would implement regarding the five most important challenges facing our country.

\* \* \*

America's fight against terrorism and its threat to our country is the most important policy question facing the next president. For more than six years President Bush has protected us from a second September 11. Maintaining and enhancing that protection will be the most important job of the next president.

The significant disparity between the political parties on this issue may be the most important policy difference of the campaign. Mr. Edwards is a modern McGovern, pledging to remove our military from Iraq: "I will do it in my first year in office. Combat missions ended, combat troops out of Iraq, period." Never mind what such a significant al Qaeda victory would do to America's safety. Mr. Obama and Mrs. Clinton are slightly less aggressive in urging retreat, but he does plan to "get combat troops out of Iraq" and she says she will "sponsor legislation to de-authorize this war" and "immediately draw down 40,000 to 50,000 troops," continuing to reduce troop strength "until all of our combat troops are in fact out of Iraq."

Mr. McCain, the most militarily experienced candidate, would ensure the strongest effort to defeat terrorism. In his words, the debate is "whether we set a

date for withdrawal, which will be a date for surrender, or whether we will let this surge continue and succeed." Messrs. Romney and Giuliani strongly agree with him, and Mr. Huckabee seems to as well.

\* \* \*

Securing America's borders against illegal immigration is the second serious policy question. Building the first 700 miles of border fence is the first step. The next ones are creating tamper-proof ID cards for all immigrants, eliminating the "visa lottery" that allows 50,000 random immigrants a year to enter the country, and deporting the two million or so illegal immigrants with criminal records. All the Republican candidates generally support these security improvements, and the Democrats are slowly come around to them. What we need is a president who will wrap these elements in a broad border-security bill and get it through the Congress.

Free trade promotes economic growth. About 10% of America's GDP currently comes from trade. It creates jobs--6.1 million of them, according to the U.S. Trade Representative--lowers the cost of goods, and gives people a broader choice of goods to purchase. President Clinton's 1993 North

American Free Trade Agreement has expanded trade with Canada and Mexico by 172% and has more than doubled the export of agricultural products to both of those countries.

Even so, the Democratic Party is by and large opposed to it. Five of the new Democratic senators elected in 2006 were opposed. Mr. Edwards is a vigorous protectionist, and Sens. Clinton and Obama both voted against the Central American Free trade Agreement. Mr. Huckabee is at least a partial protectionist, who dislikes NAFTA and has vowed to sign only "fair trade" deals. The rest of the Republicans believe in the value of trade: Mr. Giuliani would "tear down the walls to free trade," and Mr. Romney has said that protectionism would make America "a second-tier economy" with a lower standard of living.

This is an important policy question for voters to think through, for a protectionist in the White House would reduce opportunities and prosperity and increase the cost of goods to the American people.

\* \* \*

Equally divisive among the candidates for president are our energy policies, policies that have been moving us in the wrong direction. We

refuse to drill for the offshore and Alaskan oil and natural gas we know is out there and accessible--some 420 trillion cubic feet of natural gas (a 19-year supply) and more than 100 billion barrels of oil (which would replace our importation of foreign oil for 25 years). We haven't built a new oil refinery in America for more than 30 years, and have not permitted the construction of a new nuclear power plant since the 1970s. Even with the current zeal over man-made global warming, additional nuclear power plants--which emit no greenhouse gases--have not been permitted.

Among the candidates, Mrs. Clinton opposes offshore drilling, is "agnostic" on nuclear power, and wants to raise taxes on the oil companies by \$50 billion. Mr. Edwards opposes nuclear power and drilling in both Alaska and the Gulf of Mexico. Mr. Obama agrees with him on drilling but believes nuclear power should be part of the energy mix. In contrast, all the Republican candidates support construction of nuclear power plants and--with the exception of a more hesitant Mr. McCain--offshore drilling.

Finally, other than national security the most important matter for all presidential candidates is their economic

vision, for economic policies drive the growth, employment, wealth, and opportunity of Americans. For 52 consecutive months--since August 2003, the year of the Bush tax cuts--America's economy and employment has been growing: 8.3 million new jobs have been created, the country's Gross Domestic Product is up 27%, and the tax cuts have increased federal revenue by \$785 billion, the largest four year increase in U.S. history. All of which teaches us--once again--that lower tax rates mean higher economic growth.

So the Republican candidates support keeping the lower tax rates, although Mr. McCain had opposed both the 2001 and 2003 Bush tax cuts at the time. On Thursday Mr.

Giuliani offered a significant tax reduction plan that would repeal the death tax and lower the tax rate on corporate profits to 25% from 35% and on capital gains tax rates to 10% from 15%.

All three Democratic candidates promise to raise taxes. None of this is surprising, for the Democratic Party today is in lockstep against higher-income tax rate reductions, even if they produce economic and job growth. Only 4% of Democratic House and Senate members (9 out of 253) voted for the 2003 tax cuts, so it is, to borrow a phrase, an inconvenient truth that the tax rate reductions increased government tax receipts and grew our economy.

\* \* \*

So what does all this information tell us? That there are serious and substantial differences between the two parties and their candidates on significant elements of America's public policies. And that on each of these five important issues--protecting our country, securing our borders, encouraging international trade, generating our energy needs and promoting economic growth--the presidential election matters.

There is a Nov. 4 fork in the public policy road, for the next president will choose the direction in which our policies will proceed--up or down, right or left--on all these matters.