



Executive Alert Extra



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WHAT'S HAPPENING AT THE NCPA

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Bartlett's Efforts Pay Off with Death Tax Repeal

After years of testifying before Congress, writing columns, appearing on radio and television and writing studies on the need to repeal the nation's estate tax, Senior Fellow Bruce Bartlett's efforts are finally paying off.

Although President Clinton is expected to veto it, the momentum is clearly on the side of repeal. This summer Bartlett authored an NCPA study arguing that inheritance is not a significant source of wealth in America. "Rags to riches to rags again in three generations, is not an American myth," said Bruce Bartlett.

Bartlett's work has been praised by Congressional leaders in both the House and Senate, including Arizona Senator John Kyle and House Speaker Dennis Hastert, who called his 1999 study the "most comprehensive, independent analysis [of estate tax repeal] to date."

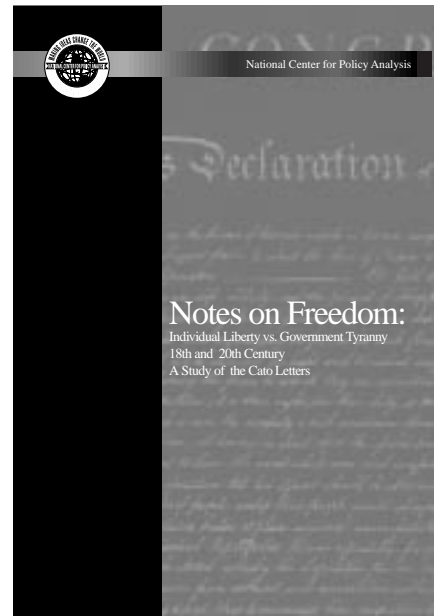


NCPA President John Goodman briefs Dick Cheney at the NCPA's Dallas Headquarters. See related story on page E3.

Lessons From the Past

What does liberty mean in the 21st Century. Are questions of inalienable rights to life, liberty and the pursuit of happiness as pertinent today as they were at the time of the Roman Empire or the American Revolution? Have we really won the struggle for freedom when average Americans increasingly rely on the federal government to provide services such as health care? That's the question at the heart of a new book entitled "*Notes on Freedom: Individual Liberty vs. Government Tyranny*," to be published by the NCPA.

The book examines the letters of Englishmen John Trenchard and Thomas Gordon, who between 1720 and 1723 published their ideas on liberty and the threat of tyranny in the *London Journal* under the alias "Cato." Named for the 2nd Century Roman statesman who espoused their same philosophy, the "Cato Letters" inspired the leaders of the American Rev-



See page E4 to learn how to get a copy.

olution with the visions of freedom. "Notes on Freedom," thanks to the generosity of James Whitaker, hopes to bring these lessons to a new generation of Americans.

IN THIS ISSUE

Gov. du Pont Testifies on Social Security Privatization.....	E2
NCPA Tax Ideas Gain Ground	E2
Social Security Calculator Makes Waves on Capitol Hill	E2
Goodman Talks Health Care to House GOP	E2
Policy Forum Pays Tribute to F.A. Hayek	E3
Goodman Goes to Berlin	E3
Anderson Advises State Policy Network	E3
Moore Joins Staff	E4
NCPA Welcomes DC Interns	E4
2000 Events Schedule	E4

Du Pont Testifies on Social Security to House Budget Committee

“The demographic destiny of our current retirement system presents a massive challenge to our economy, our families, and to the Congress.” That’s what NCPA Policy Chairman Pete du Pont told a special hearing of the House Budget Committee chaired by Rep. John Kasich on July 27, testifying that Social Security must be reformed to allow each generation to pay its own way.

Gov. du Pont said that throughout the developed world, fertility rates have fallen below the levels needed to replace the current populations. “Women aren’t having enough children to sustain Social Security,” he said. “As the population begins to shrink in this century, the tax rates needed to pay seniors’ benefits will soar.”

In addition to falling fertility rates, Gov. du Pont noted another problem: people are living longer. “While that’s good news for ordinary people, its bad news for a pay-as-you-go Social Security,” he said.

“Du Pont urged Congress to consider “letting workers put a percentage of their Social Security payroll tax into personal retirement accounts to be invested in real assets.”



NCPA Senior Fellow Bruce Bartlett speaks at a news conference on an NCPA study analyzing death taxes.

NCPA Tax Ideas Gain on Capitol Hill

Tax policy ideas shaped and promoted by the NCPA for the past decade continue to gain ground on Capitol Hill, as the House recently voted in favor of repealing the 1993 tax increase on Social Security benefits. The repeal is one of five major tax ideas first proposed as part of a pro-growth agenda laid out by the NCPA and the U.S. Chamber of Commerce back in 1991.

At a recent event for NCPA donors and friends, Former House Speaker Newt Gingrich said that “the Contract With America can in some extent be drawn directly back to a 1990 bill ... working in collaboration with the NCPA ... that was about a third of the ideas that went into the contract.” The agenda called for :

1. Cutting the capital gains tax;
2. Establishing what are now called Roth IRAs;
3. Eliminating the Social Security earnings penalty;
4. Reducing the Social Security benefits tax;
5. Indexing the depreciation of productive assets in order to allow for their replacement.

The first three proposals have already become law.

NCPA’s Social Security Calculator Makes Waves

The NCPA’s new, online Social Security calculator can be found at www.MySocialSecurity.org. Since it was introduced at the National Press Club in Washington, D.C. on May 22, it has been making waves on Capitol Hill.

The calculator allows users to see how their expected Social Security benefits compare to what they could have received if their payroll tax dollars were invested in stocks and bonds. The information is tailored to more than 500 different occupations. It also compares the rates of return workers can expect from Social Security with what they could receive in the private capital market.

Since early June, Jack Strayer, Vice President for External Affairs has made over 55 visits to Congressional offices, demonstrating how the calculator works. The reaction? U.S. Sen. Phil Gramm (R-TX) and U.S. Rep. Nick Smith (R-MI) are writing letters to their colleagues spreading the word about the NCPA’s calculator, extolling the virtues of its comparisons.

Particularly popular is the information tailored to more than 500 different occupations. The web site also links users to nearly all the available research material on Social Security reform. Senators and Congressmen are adding a link to the calculator from their own official websites.



John Raybould with Federal Reserve Bank of Dallas President Robert McTeer at a recent Policy Forum. Raybould presented an audio visual "Tribute to F.A. Hayek."

NCPA/Dallas Fed Pay Tribute to Hayek

F.A. Hayek is more responsible than any other single individual for the intellectual defeat of socialist communism in the 20th century. That was the argument behind an audio visual tribute to the Austrian economist, given by John Raybould, a visiting fellow at London's Adam Smith Institute, at a Policy Forum co-hosted by the NCPA and the Federal Reserve Bank of Dallas.

Although not a household name, F.A. Hayek is perhaps the 20th century's most influential free-market economist, having had a direct impact

on the well being of millions of individuals. He gained wide acclaim for his books, *The Road to Serfdom* and *The Constitution of Liberty*. Hayek won the Nobel Prize in Economics in 1974, and was awarded the title of Companion of Honour by Queen Elizabeth II in 1984.

A vehicle for the expansion of his ideas was the Mont Pelerin Society, and international organization of free-market intellectuals which he helped form. Members include Milton Friedman and the NCPA's John Goodman.

Goodman briefs House GOP Candidates on Health Issues

NCPA President John C. Goodman briefed a special behind-closed-doors meeting of House Republican candidates in Washington, D.C. on the importance of health reform, sponsored by the National Republican Congressional Committee.

Goodman explained the NCPA's proposal for universal refundable tax credits for the purchase of private health insurance. He also argued that every American should have a tax-free Medical Savings Account.

The NCPA has offered to conduct a similar briefing for the House Democrat candidates.

Anderson Advises State Policy Network

NCPA Chief Operating Officer Drew Anderson has been named to the President's Advisory Committee of the State Policy Network (SPN).

The NCPA has a long association with the SPN, an association of state-based think tanks. NCPA President John Goodman helped found the Madison Group, which preceded SPN almost a decade ago, under the belief that state-based think tanks could benefit from an umbrella organization.



Drew Anderson, Vice President and COO accepts role on the State Policy Network's President's Advisory Committee.

Goodman Goes to Berlin

An international conference on health care policy convened in Berlin in July, to discuss health care problems and solutions.

Most Europeans mistakenly believe that the U.S. enjoys a completely free-market in health care. NCPA President John C. Goodman, explained that "the U.S. health care system has been shaped and molded by government. And poorly designed government policies are responsible for most of our health care problems."

Goodman's appearance was inspired by his groundbreaking book *Patient Power*, which promoted the idea of Medical Savings Accounts as a way to increase access to quality health care, while at the same time empowering patients and strengthening the doctor/patient relationship.

Washington Interns Storm the Hill

The Washington office welcomed three new interns this summer, and will attend Congressional hearings, press conferences and briefings, contribute to NCPA research and write and publish op-eds.

Kelly Jane Torrance, is a recent graduate of the Canadian University of British Columbia where she earned a BA in Honors Philosophy.

Already an accomplished journalist, Kelly Jane has been published by The Report newsmagazine in Edmonton, and the BC Report newsmagazine in Vancouver on subjects as wide-ranging as politics, business, society and culture.

Emily Anne Meyer, is a junior at Rice University in Houston, Texas, where she majors in history and economics. She is a native of Madison, New Jersey.



Washington, DC summer interns. Left to Right: Emily Anne Meyer, Kelly Jane Torrance, and Alex Herrgott.

Alex Herrgott currently studies as an undergraduate at the George Washington University with an M.B.A. concentration on international business and political science. A native of Phoenix Arizona and a former intern for Senator McCain, Alex has served as chairman of the Arizona Teenage Republicans, a National Park Ranger in South Dakota and Oregon, and volunteered for the Red Cross in Guatemala and Mexico.

How Can I get a copy of *Notes on Freedom*?

By sending a special tax-deductible gift of \$50.00 or more to the NCPA, you will receive as a token of our appreciation, *Notes on Freedom*. Should you wish extra copies they are available for \$5.00 per copy including shipping and handling. No doubt this would be an ideal gift for your friends who share (or who should share) your commitment to liberty and individual responsibility.

Yes. I'd like to help the NCPA. Enclosed is my tax-deductible gift of \$____ Please send *Notes on Freedom* to:

Moore Joins NCPA Staff

The NCPA welcomes a familiar face to the Dallas headquarters. Matt Moore is a new NCPA policy analyst focusing on Social



Matt Moore

Security reform. He also is responsible for maintaining "Social Security Central," the NCPA's Social Security website.

Before coming to the Dallas office, Moore worked with the NCPA's Washington, D.C., office where he spent time in both media relations and public policy. He originally joined the NCPA as an intern with the Media Department in March 1997, and in 1999, was selected as the Russell and Phoebe Perry Public Policy Intern.

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Editor..... Sean Tuffnell

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NCPA 2000 EVENT SCHEDULE

The NCPA is pleased to announce the following events for 2000. Details for each event listed below will be forthcoming.

September 6
Alan Simpson
Former Senator from Wyoming
Summers Lecture, Dallas

October 20
Kenneth Starr
Former Independent Counsel
Summers Lecture, Dallas

November 9
James R. Lilley
Former U.S. Ambassador to China
NCPA/Federal Reserve Bank of Dallas Policy Forum, Dallas

November 12-15
Chairman's Club Conference
Rough Creek Lodge, Glen Rose, Texas

December 4
James A. Baker III
Former Secretary of State
Summers Lecture Series

Call the NCPA Events Department at 972-386-6272 for details.



Washington, D.C. intern Kelly Jane Torrance took time off to travel to Philadelphia the weekend before the Republican National Convention to participate in a counter protest, protest march.