

FINALLY

WHAT TO EXPECT FROM REAGAN

By Jeff Greenfield

America voted in November, more clearly than it has since 1932, to change the direction of our national public policy. Not since Franklin D. Roosevelt put Washington on a course toward greater influence over our economic life has an election produced so clear a message for those assuming power.

This ability to "send a message" is one of the most neglected features of American politics. Despite all the cynicism about the absence of choices, voters know full well how to fine-tune their decisions. They know how to reject a party's presidential candidate overwhelmingly, as they did to the Democrats in 1956 and 1972, without loosening that party's control of Congress. This time, the voters not only swept President Carter out of the White House, but swept the core of the liberal Democratic bloc out of the Senate. They chose a philosophy every bit as much as they chose a personality.

But what will that philosophy mean for national policy? Some of the directions are clear.

First, a lessening of the rate of tax increases. New Social Security taxes and the "bracket creep," which pushes inflated incomes into higher brackets, will produce about \$45 billion worth of increased tax burdens in the coming year. But Reagan and the Republicans are committed to reductions that will ease that burden. And they are committed to long-range tax cuts that may actually lower the real taxes most Americans pay in three or four years.

Second, a fundamental shift in the philosophy of government regulation. Reagan's advisers are united in their conviction that citizens, and especially businesses, are paralyzed by a mountain of Federal rules and regulations. The new President's appointments to key agencies—the Federal Trade Commission, the Federal Communications Commission, the Environmental Protection Agency and the Occupational Safety and Health Administration, among others—will



bring a probusiness, market-economy philosophy to their jobs. It's likely there will be no Environmental Protection Agency rules mandating specific antipollution devices, no compulsory air bags in cars and a far less vigorous approach to on-the-job health and safety standards. These new "anti-regulators" are likely to ask first whether affected businesses can stay competitive and profitable.

Third, a sharp move away from attempts to legislate and regulate equality. Both conservative Republicans and "neo-conservative" refugees from liberalism have been attacking the "social engineering" role of government for more than a decade. Rigid supervision of rules against racial and sex discrimination—often under threat of losing lucrative government contracts—has particularly angered the conservative movement. A sharp cutback in the effort to enforce social justice is a near-certainty under the Reagan Administration. Similarly, what is left of an official "war on poverty" through government jobs and community programs is likely to see a unilateral cease-fire. Reagan believes that a free economy, with a minimum of government interference, is a better road to progress for the poor.

Fourth, a huge increase in defense spending and a move toward ideological confrontation with the Soviet Union. The new President, and a far

more conservative Congress, will enthusiastically fund Pentagon plans ranging from a B-1 bomber to a host of new weapons systems. John Tower, incoming Senate Armed Services Committee chairman, has estimated an increase in the defense budget of about \$40 billion by fiscal 1982. More significant, Reagan's foreign policy is premised on the idea that the Soviet Union is a malevolent adversary, stirring up conflict wherever it can. Since several Democratic Senators share that view, we can expect emphasis on a resuscitated intelligence apparatus, anti-Communist broadcasts aimed at Eastern Europe and the Soviet Union, and earnest attempts to enlist allies in battling Soviet-funded and -trained terrorist groups.

Two intriguing questions cannot be answered; they are likely to form the early battles among Reagan's advisers:

• First, who will win the battle over economic policy? The Nixon-Ford "old guard"—Arthur Burns, William Simon, George Shultz—believe in an austerity approach. The "right-wing populists," such as Congressman Jack Kemp and Jude Winniski, the economist, see massive tax cuts as a stimulus that will trigger a new productive boom for America, which in turn will bring the poor into economic self-sufficiency.

• Second, to what extent will Reagan resist the entreaties of the New Right? This conservative force, which includes the Moral Majority and other groups, wants him to emphasize traditional cultural values through programs such as school prayer and anti-abortion amendments, and to wage battles against pornography and homosexuality. Here, a small wager. An administration fighting to save America's economic base and restore a sense of strength against the Soviets will choose not to tie up Congress with battles over culturally explosive issues. Within a year, we will be hearing cries of betrayal aimed at Ronald Reagan—not from the left, but from the right. ■

Jeff Greenfield, a political commentator for CBS, is also the author of a number of books and was a speech writer for Robert Kennedy.