

# FISCAL AWARENESS SERVICE

#25



DR. GERALD FAVERMAN, Chairman of the Board

## A LETTER OF POLITICAL AND SOCIAL COMMENTARY

January 30, 1986

TO: FISCAL AWARENESS SERVICE Subscribers  
FROM: Gerald A. Faverman and William R. Rustem  
SUBJECT: THE 1986 MICHIGAN CAMPAIGN ENVIRONMENT

Governor Blanchard's fourth State of the State address today signals the opening bell of the 1986 campaign. The precampaign pushing and shoving for political advantage is already underway, and in the months ahead it is not so much what is true that will be important, as what appears to be true.

Today as in years gone by, politics remains an uncertain enterprise. Nothing about politics is so certain as its unpredictability.

Yet a number of judgments about the forthcoming Michigan election have already been made. In our opinion, too many observers have made judgments that will stand up to neither the test of time nor the test of this electorate.

In Michigan, as across our land, election results in 1986 and 1988 will be greatly influenced by societal, demographic, and economic changes that are moving the nation's political allegiances and viewpoints toward a more conservative path. These changes include

- a developing international, interlocking world economy that is weakening America's inefficient industries,
- technological change that threatens job security and the very nature of the workplace itself,
- the aging of the population,
- deurbanization that jeopardizes older communities and weakens our core cities, and
- a philosophical return to religion, and the rise of moral absolutism and individualism that are dismantling societal consensus, weakening the basis for social community, and reawakening the inherently selfish Darwinian school of survival of the fittest.

These forces are causing major shifts in political party loyalty and, consequently, party priorities. The magnitude is not yet clear, but it is possible that a major seismic shift in party alignments may well be underway. This will affect the allegiance, supremacy, strength, world view, and political ambition of the surviving political parties.

Three great realignments have occurred in America since our founding fathers first adopted a constitution for this diverse and young nation, a document that did not even contemplate the existence of political parties.

The Democratic party held sway in the United States from the time Thomas Jefferson and Andrew Jackson crushed the Federalist party of Alexander Hamilton and John Adams until Abraham Lincoln's new Republicanism--a party

A SERVICE OF

**PUBLIC SECTOR CONSULTANTS, INC.**

KNAPP'S CENTRE • 300 S. WASHINGTON SQUARE • SUITE 401 • LANSING, MI 48933 • (517) 484-4954

January 30, 1986

2

born in Jackson, Michigan--found support among a majority of the American populace. That Republican party remained the paramount influence from 1860 to 1932, when Franklin Delano Roosevelt was able to forge a new and unlikely coalition of have-not Americans that has dominated and determined American policy over the last half-century.

Many political observers suggest that the Reagan-led Republican/Conservative movement is now the ascendant force in our political life. The Republican party, after five decades of minority status, has made great strides in the last six years in achieving parity with the Democratic party. It may well be on the threshold of national supremacy.

In Michigan, the Republican party has caught up with the Democrats in voter preference. Now neither party is strong enough to win office in its own right. Both need the support of nonaffiliated independent voters on the right or left. Interestingly enough, the current political upheaval may be less a shift of loyalties between the two great parties and more a shift of loyalties away from both.

Sophisticated organizational methods, special interest fund-raising, and television ad campaigns designed--like fashion photography--to airbrush out glaring blemishes, have all but reduced political parties to an inconsequential role. With few exceptions, elections have become highly personalized, individualized beauty contests; partisan affiliation is only an afterthought. What is being labeled by some as an era of partisan realignment may well be, in reality, an era of partisan de-alignment and media supremacy.

Throughout their history, both major parties have exhibited extraordinary suppleness. Parties and candidates in the 1960s feared the label "conservative." Today, they fear the label "liberal." Now, as the center of the nation's body politic shifts to the right, the Republican party is benefiting. However, it is also clear that the Democratic party is in the process of change as it seeks to establish a new ground of a more conservative ilk and that it will compete for the "new middle." The contest of a generation is under way.

As the political parties have weakened, there has been a concurrent realignment of special interest influence. Twenty years ago in Michigan, the groups we associated with external power were the UAW, AFL-CIO, General Motors, Ford, and Chrysler. Today, there are hundreds of relatively influential and well-financed lobbies in Lansing, representing a broad array of narrow interests. The public agenda is now set by hundreds of organizations, not merely a handful of labor unions and auto manufacturers. The world is more complex, less certain, and the winners not yet known.

It is in this atmosphere that the Michigan electorate enters the campaign of 1986. While the results of this year's election will determine the winners, this election's most important role may be the contribution it makes to determining the future political alignment in the nation.

#### The Governorship

Governor James J. Blanchard, perhaps more than any Michigan politician in modern memory, has ridden a roller coaster during his first four years in office. From an early approval rating of slightly lower than that of former Governor William A. Comstock (who initiated the state's first sales tax),

January 30, 1986

3

Blanchard has--through imaginative public relations--now increased his popularity to rival that of his predecessor, William G. Milliken.

Two years ago, many observers believed that Blanchard was so far down that he couldn't possibly recoup. Now, many of those same observers are claiming that he is so popular it will be impossible for any Republican to beat him. The truth, of course, lies between those extremes.

Blanchard deserves great praise for the bold manner in which he approached the state's fiscal problems. Inheriting--as he did--a state government with monumental financial difficulties, the fiscal stability he restored to state government through an income tax increase demonstrated an intestinal fortitude too often lacking in today's political leaders. It also turned out to be a textbook example of good policy making good politics.

Despite early negative reaction to the tax increase, the public has now generally accepted it and has given Blanchard considerable credit for Michigan's and state government's economic turnaround. Blanchard and politicians on both sides of the aisle are also to be commended for keeping their promise that the tax increase would be temporary. Keeping that promise is a truly astonishing political event. Historically, there has been nothing so permanent as things "temporary." In marked contrast to most such "temporary" measures, the debate has focused not on whether or not to keep the tax in effect, but on just how quickly it should be rolled back.

Jim Blanchard now does well in the polls, but his public support, while broad, remains shallow. The problem is that during three years in office, he has not been able to project an image of his administration as a compassionate or caring one. In social services, health, mental health, the environment, civil rights, consumer protection, and public safety--issues that reflect a view of the future--the Blanchard administration has not demonstrated to the public mind that it can reach beyond bureaucratic and cumbersome responses to people's problems. The "human feel" has not come through. In short, Blanchard has been exceptionally successful regarding issues of the pocketbook, but less so concerning issues of the heart.

Blanchard regards the profession of politician as an honorable one and works diligently at being a success at his chosen trade. His inner circle is not cocky. They recognize that between now and November 4, they will be in a gunfight. They are already working hard on fund-raising, on political organization, and at getting the Governor out to the hustings. The Blanchard team is not complacent about this election. Blanchard will be making strong appeals to those who have benefited from his policies and share his views. Leads and polls are fickle, but sweat always wins out.

The three likely candidates in the Republican primary--William Lucas, Daniel Murphy, and Richard Chrysler--will announce their candidacies in February. Certainly it is much too early to predict the outcome of the August primary. No one of the three mentioned has yet caught fire, and new names may surface. It certainly appears at present, however, that Lucas and Murphy are frontrunners, if only because of name recognition.

The larger the field of Republican candidates, the more the advantage in the primary swings to Bill Lucas. The greatest challenges to Lucas lie in showing that he has command of the multiplicity of state issues. He must demonstrate successfully that he can confront Governor Blanchard, deal head-on with the hidden issue of racism and white fear of his candidacy, and overcome "Muskie's disease," an affliction resulting from getting out in front too early.

January 30, 1986

4

Both Lucas and Murphy, who have established solid records as county executives, have adopted centrist postures; that will benefit them as they head into the general election in November, but might be a detriment in a primary where conservative voters have an inordinate impact.

Dan Murphy may have the edge in campaign organization. Ed Rollins, who managed Reagan's 1984 campaign, is his campaign manager. Rollins has a solid reputation and an impressive record.

We will not be surprised if a Murphy/Lucas or Lucas/Murphy ticket ultimately emerges from the struggle for the Republican nomination, blessed by a party convention seeking unity and victory. Such a ticket, which would include the popular chief executives of Michigan's two most populous counties, could pose a formidable threat to Governor Blanchard and his running mate, whoever that may be.

Foretelling the future has ever been an inexact undertaking, and forecasting incidents that contribute to an election victory or defeat is not possible. The public is fickle, uncertain of its priorities, and demonstrably receptive to motivation by clever and skilled media magicians.

Today, nine months from decision day we believe that the bottom line--despite the pronouncements of many that the campaign is already over--is that the 1986 gubernatorial election in Michigan is "gonna get tight." This state historically has eschewed landslides and a 52-47 percent margin would be handsome indeed for either party's candidate.

#### The Michigan Senate

Senate Majority Leader John Engler has done a masterful job of maneuvering his party's paper-thin control of the Senate into a central position of policy-making in Michigan. He is clearly the Republican party's leading political counterpoint to Democratic Governor James Blanchard.

Control of the State Senate for the years 1987-1991 will be crucial in determining Michigan's future. For that reason, it can be expected that considerable money, expertise, and energy will be expended by both political parties between now and November 4 in the dozen key races that are projected as being close. Decisions by well-entrenched incumbent senators to seek or not seek re-election will be vital.

The 1982 reapportionment and demographics favor the GOP retaining Senate control. The Republicans have proven during three off-year elections that they have a remarkable ability to run effective campaigns in tough contests. Art Miller, the leader of the Democratic minority, will have to prove that he can mobilize large amounts of money, put forward strong candidates, and develop professional political campaign structures to go toe to toe with the young fox John Engler. If he can, the next four years may focus more sharply on this new man from Warren.

When the dust settles in November, we believe that the Michigan Senate will be split 20-18, and it could be split either way. Chance and luck could be very important.

January 30, 1986

5

### The Michigan House of Representatives

Democrat Gary Owen, Speaker of the House, has done a fine job in carrying the Governor's legislative burden and maintaining control in a closely divided chamber. His loyalty to his party's program and effectiveness in defending the Governor's interests have occupied a great deal of his attention. To some extent this has come at the expense of an independent identity for the House.

Republican minority leader Mike Busch's decision to not seek reelection to the House is a surprise. His low-key style and ability to forge behind-the-scenes compromise among competing House interests will be missed. Leading candidates to replace Busch as minority leader are Paul Hillemonds, Don Van Singel, and Gary Randall.

Probably fewer than 15 House seats are currently in the "at risk" category. We do not see a change of party control after the election.

### Conclusion

Election year 1986 will be a spirited one in Michigan, and the course of our state's future as we rush toward the twenty-first century will be largely determined by the outcome.

The agenda for Michigan's postelection future is clear. It is time to put tax debates behind us and to move forward to other issues. Michigan faces monumental challenges in the areas of health, environment, economic development, and education. We hope that the public debate will reflect the qualities of compassion, progressiveness, and innovation that have helped secure for Michigan a position of national prominence and leadership over the years. We owe nothing less to ourselves, and to our future.

This commentary is a publication of the FISCAL AWARENESS SERVICE. We hope you have found it interesting.

/sre