Introduction

Our guest today is a distinguished politician whom I’ve known and admired, from near and afar, for almost a half century. His is a remarkable life and career that defies reducing to a few words. Most recently, for more than three decades until his retirement in January 2013, he served as a Democratic member of the U.S. Congress from the 4th Massachusetts District. As Chairman of the House Financial Services Committee, he was at the center of activity in Washington from the start of the Great Recession throughout the mortgage foreclosure bailout crisis and the most extensive reform of the nation’s banking and financial services industry since the Great Depression. At this most trying time, Henry Paulson, Secretary of the Treasury in the administration of President George W. Bush, said he especially appreciated Barney Frank’s penchant for brokering good deals. “He is looking to get things done and make a difference”, Paulson wrote, “He focuses on areas of agreement and tries to build on those.”

Barney Frank was born and raised in Bayonne, New Jersey, the grandson of Polish and Irish immigrants. He graduated from Bayonne High School before attending Harvard College, did graduate work in government there, and served as chief assistant to Boston Mayor Kevin White and four terms in the Massachusetts legislature. At the same time, he earned his degree from the Harvard Law School and was admitted to the Massachusetts Bar, while teaching part time at UMass Boston, Boston University, and the Kennedy School of Government at Harvard.

Elected to the U.S. House of Representatives in 1980, he quickly became known for his quick wit, his keen intelligence, his extraordinary work ethic, and his passionate eloquence, for which the congressional staff and Washington press corps repeatedly recognized and honored him. The breadth of his contributions while in the Congress is, in a word, breath-taking. From the recent reforms of Fannie Mae and Freddie Mac and the entire financial industry, it extends over the course of his congressional career to affordable housing, civil rights, women’s rights, hate crimes, the death penalty, decriminalization of marijuana use, promoting the economy and public health, protecting the environment, supporting the military and their families, regulating Internet gambling, and strengthening US/Israel relations – on each of which he has left an enduring mark.

He once said that, “I worked very hard at legislating, I enjoy it. It’s the most important thing I can do, because
Barney Frank: Thank you very much, Dick, it’s nice to see you again; it’s been awhile. I was intrigued by the topic, Politics Then and Now; and I see that the “Then” is very heavily represented in the audience today. This is actually good, because there are ancient references I make from time to time that I have to explain to people, including my husband. So, it’s nice not to have to worry about that. Then there are newer references, which I don’t know myself; so I don’t have to worry about those, either.

The premise of this series is that there has been a deterioration in the nation’s politics, and I subscribe to that with a couple of qualifications. I want to say at the outset that, yes, politics has deteriorated. I was talking recently to the man who succeeded me in the district I represented in the U.S. House of Representatives, Joe Kennedy III. I commiserated with him and said, “You have entered the House at its worst point since the vicious physical and other conflicts just before the Civil War.” I agree that things are terrible now; but I’m sure they will get better.

It Begins and Ends with the Voters

Where I disagree with some people is the often explicit assumption that there are deep, systemic failures that have produced this state of affairs. In fact, this breakdown, this deterioration, this inability to get things done is only about two-and-a-half years old!

Dick quoted from the memoir of Hank Paulson, George W. Bush’s Secretary of the Treasury. In 2008, six weeks before the presidential election, the most fraught time in the American political calendar, George Bush sent his top economic people to see House Speaker Nancy Pelosi and Senate Majority Leader Harry Reid, both Democrats. The emissaries from the President said, “We have a terrible economic crisis coming. We need you to join us in doing some things that are going to be very unpopular, but are very necessary to stave off a disaster.” And we did. We, the Democrats, gave him more support, particularly in the House, than the Republicans did!

In other words, this question about, “Whatever happened to bipartisanship?” Well, I agree that it disappeared; but it was alive and well in September 2008. In fact, during the Bush II eight-year presidency, he got a lot accomplished, not all of which I agreed with. I voted against No Child Left Behind; but it was a significant piece of legislation, if you want to talk about the ability of Congress to function. He got his massive tax cuts through – although it’s always easy to cut taxes. He got his prescription drug bill through; again, I thought it was flawed in some ways, but it went through.

Then we had the economic crisis of 2007–08, and there was great collaboration between the Democratic Congress and the Republican President, culminating in passage of his TARP legislation – money lent to the banks – which I am convinced will go down in history as the most wildly unpopular and highly successful program the federal government ever had. We did that with George W. Bush. In January 2008, President Bush again said to the Democratic leadership, “The economy is slipping, it needs a stimulus.” Nancy Pelosi said, “OK. I understand you won’t be for the kind of spending that I would be; but I will support you in doing this “stimulative” tax cut if it is weighted in favor of lower income people, if it increases those things that help people at the lowest levels.” She did that.

I don’t know if there are any students here who want to do a paper on this; but go back and see, when did you first start reading about the system “breaking down”? I don’t believe you were reading that through the first years of the 21st century. Then, when President Obama won in November 2008 and we had a Democratic House and Senate, we had one of the most productive legislative years since 1965, the first full year of Lyndon Johnson, before the Vietnam War bogged him down.

You got the Affordable Health Care Act, a massive achievement that some people may dislike. We’re talking now, though, about whether the system can function. The financial reform bill was passed, of which I am very proud. We repealed “Don’t Ask, Don’t Tell.” We passed the Lilly Ledbetter Act, which significantly increased the ability of people to sue for job discrimination. The right-wing Supreme Court had ruled five-to-four that you could not sue for job discrimination if the statute of limitations had lapsed before you even knew you were being discriminated against. That is, you found out years later that you were being screwed, and it was too late; but we said, No, the statute runs from the day you could reasonably have found that out. We did great increases in the children’s health bill.

Again, if you read the news at the end of 2009, you wouldn’t see a lot then about the system “breaking down.” It’s as simple as this: the system broke down as a result
of the right-wing Republicans taking over the House of Representatives in 2010; and that’s the end of it. Bipartisanship largely ended in 2010, after we had had a Democratic House, Senate, and President. What I’m saying is that the cause of the breakdown – and it is very severe – is electoral.

A problem I have with a lot of the analysis is that it looks at the 535 members of the Congress as if they were all autonomous actors, simply doing these things on their own. Every single one of those people is there for one reason alone: more people voted for them than for anybody else. So, when you start looking for the causes of the problem, begin with the voters; and the voters include the non-voters – the people on the Republican side, in particular, who sit out the primaries, so that the most rabid and extreme people can dominate the primaries.

I once was asked, “Why, when you were in Congress, couldn’t you do a better job of cooperating with the Republicans, particularly after the 2010 election?” My answer was and is, “Well, you go and try to work out a deal with Michele Bachmann!” (Laughter) The response is, “Are you saying every Republican in the House is Michele Bachmann?” My answer is, “No, only about half of them think like Michele Bachmann; and the other half are afraid of losing the primary to someone like Michele Bachmann. It makes no practical difference!”

The Good Old Days?

There is always a temptation to look back on “the good old days” as if the past had been better than it ever really was. This is often done to fashion a stick with which to beat the President. My favorite quote in this regard uses some typically British understatement. There was once a British humor magazine called Punch, now out of business. Towards its end, someone said to the editor, “You know, Punch isn’t as funny as it used to be.” To which he replied, “Oh, yes – it never was!”

Nothing is ever as good as it used to be; and there are some areas where “the good old days” really weren’t so good. For example, I stand here before you as a gay man who married during my service in Congress; when I was younger, I had to worry about whether being gay was going to keep me out of politics, altogether. When I left politics, being gay was even more socially acceptable than being a politician! (Applause.) That is a great advance. It remains the continuing and besetting sin and problem of America; but we have made enormous progress in the area of race. We have made great progress in breaking down discrimination against women.

On Healthy Partisanship

So, this is a better society today; but there has been this serious political breakdown. People say, “Well, we really need bipartisanship.” One of my semantic problems is that people always use “partisan” as a negative. I believe if you did a search, the only positive references you would find to “partisans” would be to Tito’s people who fought the Nazis in occupied Yugoslavia during World War II.

Partisanship is essential to democracy. The founders of this country and the people who were evolving democracy in England didn’t like political parties. James Madison hated them, John Adams hated them. Yet, while they were hating them, they were forming them – because political parties are an essential element in democratic self-government, in a community of any size. Absent effective political parties, you have pure rule-by-personality.

It turns out that in free democratic societies, there tend to be two ideological groupings – not always two parties – but there’s a strong tendency to two ideological groupings. There is one group that stresses the importance of the public sector in enhancing the quality of life. Then there is the other, whose primary concern and orientation are to the private sector as the creator of wealth.

“It’s as simple as this: the system broke down as a result of the right-wing Republicans taking over the U.S. House of Representatives in 2010; and that’s the end of it. Bipartisanship largely ended in 2010.... So, when you start looking for the causes of the problem, begin with the voters; and the non-voters.”

A healthy politics in America, in England, and in any democratic capitalist society is the tension between the two perspectives; but it begins with each side recognizing the validity and importance of the other. No Democrat thinks, “We don’t need a private sector to create wealth;” and until recently, Republicans thought the public sector was a necessary thing that needed to be contained, if not diminished. A healthy politics is concerned with, “Where do you draw this line?” The difference is embodied by parties; and so, parties are very important. Parties give some coherence to governance.

I know, the supposedly ideal candidate says, “I will go to Congress and I’ll just follow my conscience and decide what I want to do.” If you want to see gridlock, see that happen! Take some of the most complicated issues that human beings can deal with, and have everybody go off on his or her own. If people aren’t willing to compromise, nothing will happen. As a result, you have these parties that get together; and I will sometimes yield on something I care about to some extent, in return for getting support for something else that I care about. The alternative will
be everybody vetoing everybody – like the old Polish Diet, where there was a universal veto, a requirement for unanimity – and any one person can block things.

Un-Exceptional America

We had healthy, partisan politics up through 2010. What’s happened is that government-in-general has gotten less popular in America. In 1960 the stirring cry from our popular young President was, “Ask not what your country can do for you; ask what you can do for your country.” The next four presidents were all driven off office against their will. Johnson couldn’t run again; Nixon was impeached; Ford was defeated; Carter was defeated. The next popular president after John F. Kennedy was Ronald Reagan, 20 years later; and his singular refrain at his inauguration was, “Government is not the answer to our problems; government is the problem!”

Government has become unpopular

The basic reason for this is that people have taken the exception for the norm, and they are very unhappy about it. The exception was America’s economic dominance of the entire world in the post-World War II period, because we had the only economy that survived World War II. Every advanced economy was devastated by the war. Ours was stoked, because we became the supplier for all our allies. From 1945 on, and well into the 70’s, we dominated the world. We could make the steel, the coal, the glass, whatever; and Americans without any great education and with a willingness to work made a good living.

People ask, “What happened to America’s competitive position in the world?” Essentially, the rest of the world caught up, because they were unnaturally depressed. We are now still in very good shape, but we don’t have the dominance we once had. For whatever reason, government has become less popular. Democrats and Republicans, alike, tended to become more critical of government. Then, again for reasons we’re not quite sure of, a significant segment of the population became not just skeptical and suspicious of government, but so angry as to forget what its essential role is. This is why you had people in the Congress shutting down the government.

There follows a paradox. There are a lot of people in the country who say “Yes, we hate the government very much.” The same people also like very much the specific programs that government delivers. Politically, we have an America where the whole is now smaller than the sum of the parts – the whole being respect for government; the parts being support for its individual programs. You saw this play out in a ludicrous way when Republicans who had voted to shut down the government then reacted indignantly when parts of the government were shut down.

“Why aren’t the parks open?” Because you voted not to give them the money. “Why isn’t more being done for our veterans?” Because you voted to take away the money. There was a great disconnect. Then, the public finally figured it out; and, frankly, one of the silver linings of the gray cloud over the economy that the shutdown represented, was that some people began to think, “Well maybe government is not so bad after all.”

You see this paradox now in the widespread anger toward government involvement in the delivery of healthcare under the Affordable Care Act. At the same time, direct government delivery of medical care is among the most popular things we do. I’m not talking here about Medicare. The most popular form of medicine in the United States, according to those who consume it, is the medicine dispensed by the Department of Veterans Affairs; and that is socialized medicine, plain and simple. If you are a veteran and you go to a VA hospital, a government doctor puts you in a government bed and tells the government nurse to stick a government needle in your backside. It is entirely government, a “socialized” operation; and it is enormously popular with its recipients. It doesn’t create a model for everything we do, but it ought to give some people pause.

The James Madison Problem

What we have, for whatever reason, is a growing group that professes not to believe in the legitimacy of the public sector; and they took control of part of the government in 2010. This is the very specific reason that we have gridlock; and if you want to name one individual who is responsible for the situation we have, it is James Madison. He created the system of government with the separation of powers, which has this result.25

25 See Federalist Paper No. 51. Published in 1788, No. 51 is among the most famous of the Federalist Papers. In it James Madison addresses means by which appropriate checks and balances can be created within government, and advocates a separation of powers within the national government. One of its most important ideas is the oft-quoted phrase, “Ambition must be made to counteract ambition.” Madison argues that, “In framing a government which is to be administered by men over men, the great difficulty lies in this: you must first enable the government to control the governed; and in the next place oblige it to control itself. A dependence on the people is, no doubt, the primary control on the government; but experience has taught mankind the necessity of auxiliary precautions.”
In England – and in France, too – if you win on Election Day, you take majority control of the government. In England, if you win, you’re in charge immediately. They don’t have the months-long transition we have; they have the Opposition, the shadow cabinet, there and waiting. If you win the majority in the House of Commons on Tuesday, you’re kissing the Queen’s hand on Friday and you’re the Prime Minister.

In America, it can take three election cycles to create a governing majority, because we have two-year terms in the House, four-year terms for the Presidency, and six-year terms in the Senate. At any given time, America is governed by the people who won the last House election, by the person who won in the presidential election of X years ago, and by the Senate elections of up to five years ago.

What happened this time is that there was a more drastic shift in public opinion between the 2008 and 2010 elections than I believe we’ve ever had in this country. In 2008, the voters gave the Democrats the presidency and a good majority in both the House and Senate. In 2010, they gave Republicans the majority in the House and reduced the number of Democratic senators. So, this is the cause: a combination of our separation of powers, the public changing its mind, and the new element of people in Congress who don’t believe in government; and I don’t believe there is any structural way to change this.

The Filibuster

There is one other, added factor that exacerbates the situation, the Senate filibuster – which is, simply, an outrage! The Senate filibuster is an extra-constitutional – in fact, an anti-constitutional – mechanism. People talk about, “Oh, we have to have the filibuster, that’s the nature of our system.” The fact is, we already have the separation of powers and the checks and balances; delay is already built into our system. As far as runaway-democracy is concerned, the constitutionally-embedded principle of two senators per state already dilutes democracy, where Wyoming has the same vote as California. The filibuster adds to this; and the U.S. Constitution clearly does not contemplate the filibuster.

There’s a saying that people often use, “The exception proves the rule.” The exception proves the rule means, “Well, you caught me this time; so, I’m going to say something that gets me off the hook.” No, the exception undermines the rule, if there are enough of them. It’s a misstatement of a sensible legal position, which is this: the statement of an exception implies the existence of a rule. If a law says you may not sell liquor on Sundays, this means you can sell it six days of the week. That’s what the saying really means: if somebody states an exception, you imply from that that there is a rule.

In several instances, the Constitution expressly states the exception that it takes a two-thirds vote in the Senate to do certain things. It takes a two-thirds vote to convict someone of impeachment. It takes a two-thirds vote to ratify a treaty. It takes a two-thirds vote in the Senate and in the House to ratify a constitutional amendment. The fact that the Constitution in three places prescribes a two-thirds vote in the Senate – if it were any other legal document – would be conclusive proof that the rule is majority rule, and that two-thirds is stated as the exception.

We’re also told the filibuster is “to protect minorities.” I’ve asked people – and nobody has answered yet – to give me one example in American history of a minority that has been protected by the filibuster. The only one you can describe as a minority is the Southerners who wished to abuse black people; because whenever the House would pass anti-lynching laws to protect black people against official violence in the South, the southern senators could filibuster it to death. There is no example in American history of a minority benefitting from the filibuster. The filibuster only deepens the dysfunction.

What Do We Do About It?

The fundamental problem is this: we have this system of government that is complicated and difficult to begin with, and has broken down only recently. This is not a systemic thing; it is because very angry people have taken power who do not accept the role of a public sector in our lives, in any serious way.

“When I was younger, I had to worry about whether being gay was going to keep me out of politics, altogether. When I left politics, being gay was even more socially acceptable than being a politician!”

I can offer this to the Republican Party: the most important issue right now is for mainstream Republicans. Your question is, “Who will take over your Party?” I’m not talking here about liberal Republicans, they’re gone. I’m talking about mainstream conservatives on the whole, people who believe in the private sector and worry that the public sector will go too far; but would understand the need for some of it. If the more extreme people continue to dominate the Republican Party, what will happen is, the Democrats will do better!

There are five United States Senators sitting today who are Democrats, and are there only because the Republicans nominated most implausible people. Christine O’Donnell in Delaware, who talked about being a witch or not being a witch; if you have to deny you’re a witch, you’re in trouble. Or Richard Murdock in Indiana, the man who...
talked about “legitimate” rape; who said that if a woman was raped and became pregnant, it was God’s will that she bear the child. Without these five senators, the Senate would now be 50/50. Right now, the Democrats look poised and better in the House than in a very long time; and the Republicans have this internal fight to resolve.

Toward a Healthy Partisanship

Let me summarize, if I may. Politics very recently broke down. Even with this, it is in many ways better than it once was. When the American Constitution was ratified, it said wonderful things; it set forth wonderful values and freedoms that only a small percentage of the population could take advantage of. To fully enjoy the rights of the country at the time, it was a very good idea to be a rich, white, Christian man. In over 200 years, we have broken down those barriers, and other groups have gotten in; so, we have made progress in some areas.

Let me give you one other example. Forty years ago, a lot of children were having their brains severely damaged by the ingestion of lead. They were eating paint chips and inhaling gasoline fumes. Then the government stepped in and passed laws taking lead out of paint and gasoline. Private industry said, “Oh, this will be terrible.” By 2005, the uncontested result was that there were tens of millions of Americans whose brains were free of damage from lead that they otherwise would have had, if the government had not acted.

So, we do some things right; but we are at a dangerous point now. There are people who do not accept the legitimacy of a healthy, competitive relationship between the private and public sectors, and want just the private sector to rule. The outcome of the matter lies with and within the Republican Party. One of two things will occur. Either the more reasonable conservatives will take over the Republican Party, or it will be good news for the Democrats, because we will do better; but this will not be so good for the country, because a more healthy partisanship is better for all.

Thank you for your time and attention. (Applause)
vote for hundreds of billions of dollars to lend to banks that everybody hated. Now, we got all that back with interest; but people didn’t believe that, at the time. If I had a membership, all of whom were worried about re-election, I don’t know that we could have passed that. There is something to be said for not forever defying the voter’s will, but at least temporarily. Having said this, it would be better to take redistricting out of the hands of self-perpetuating politicians. It will be less of an improvement than people expect, but it will help.

Question: There’s a lot of concern today about the corrosive effects of money in politics, especially after the Supreme Court’s Citizens United ruling. How would you deal with it?

Frank: Two things. First, keep electing presidents until enough of the right-wingers die and we can get a better Supreme Court. That’s the way it works. Part of it has been the bad luck of genetics. Jimmy Carter is the only President in a hundred years who never got to appoint a Supreme Court Justice. Talk about redistricting! The conservative Supreme Court majority elects George Bush, and by electing George Bush perpetuates a conservative majority. They are anti-historical, very radical in their arguments. So, you hope there will be some turnover in the membership.

We have some court decisions — what we call stare decisis decisions, or the doctrine of honoring precedent — where we’re interested not to disturb well-established things. Those are very much up for grabs these days; but there is nothing that will constrain a more liberal majority from overturning them once again. You can talk about a constitutional amendment; but that’s practically impossible to do. Fundamentally you need to get the Supreme Court back!

Second, if you have a Democratic House, Senate, and President, we will almost certainly be able to pass legislation that will require the political money-givers to identify themselves; and that will have some diminishing effect. And let me give the rationale here, by the way. People say, “Oh, well, money is free speech.” We have two systems here, paralleling what I said earlier. We have a private sector where inequality is important. If you don’t have inequality; if people who have better ideas don’t make more money; if people who work harder don’t make more money; if people who are better able to figure out what the consumers want don’t make more money, the system doesn’t work. So, inequality is very important to the health of the capitalist system. Meanwhile, equality is the core principle of the public system.

The problem with an approach that allows unlimited spending in campaigns is that it allows the inequality principle of the private sector to overcome and suppress the equality principle of the public sector — when they ought to be held and kept both vital. There should be inequality in the private sector, with some limits at the extremes; and one-person, one-vote in the public sector. What the Supreme Court has done is to allow the unequal wealth of the private sector to moot the equality of the public sector.

Yes, there are other ways to do it; but the best answer is sooner or later to elect the right kind of presidents, who will turn it around. Otherwise, I don’t see it happening.

“There are a lot of people in the country who say ‘Yes, we hate the government very much.’ The same people also like very much the specific programs that government delivers.”

Question: Some Republican governors have moved against ideas of the Tea Party in their states. Do you see a division possibly developing within the Party in some of the larger states?

Frank: It’s true there are Republican governors in some states — not here — who have decided to act otherwise. This notion that you pass up 90 percent in Medicaid money is just nuts! Do these people know anybody who runs hospitals? This is hurting hospitals.

There is an old saying attributed to Lord Acton in the late 19th century, “Power tends to corrupt, and absolute power corrupts absolutely.” Frankly, I challenge that. What corrupts is impotence. If people are for too long in a position of prominence with no real responsibility for outcomes, they can act badly; and responsibility can sober people up. I think you’re seeing this in Governor John Kasich in Ohio and Governor Rick Snyder in Michigan. Here’s what it is: politicians generally don’t like to pick fights. If bankers were as risk-averse as politicians, we would never have had a financial crisis.

Politicians like things to be safe and sound. But the pugnacious nature of the right-wing is now pushing the more mainstream people into fighting back. It was their pugnacity that let them take over the party and forced the mainstream into a self-defensive posture. Yes, I think there is a good chance that some of these governors who have tried to be responsible are going to have to fight back against the Tea Party people, with good results.
FRANK: This hasn’t always been the case in America, respecting atheism. One of the great political figures of the 19th century Republican Party was Robert Ingersoll, who nominated Maine’s own James G. Blaine for President. Ingersoll was one of the great orators of his time, and an atheist. I have meant to look back and see how it worked then.

I accept much of what you say. In my own case, I did not proclaim the fact that I do not have any religious beliefs; I am the complete agnostic. I have no idea and no interest, because I don’t want to think about things I can’t possibly know the answer to. So, I just ignore the whole subject; but I certainly have refuted consistently the notion that religion somehow makes you a better person.

Religion operates at two levels. Within countries, religion is often a good thing, even religions that I disagree with in some respects. The Mormon Church has a very good record of delivering social services to people. When I was in the Congress, I worked closely with the Archdiocese of Boston and the Diocese of Fall River, with women who did great work in the social welfare area.

On the other hand, what’s particularly troubling is when ethnic groups or nations clash, the clerics are often among the worst in promoting conflict, whether it’s Hindus and Muslims in India, or Catholics and Protestants in Northern Ireland, or Muslims in Africa and Sri Lanka. You would think that if they believe what they profess, they would try to calm ethnic and religious tensions and clashes.

Having said this, I never thought it made much sense to make atheism an issue, for this reason. If you say you’re an atheist, you will lose some votes; but on the whole – and this is a distinction I would make between being gay and being non-religious – there is not a pattern of discrimination otherwise. People generally don’t lose their jobs because they aren’t religious enough; and there is not the shunning and family disowning when they refuse to go to church. When you take the oath of office as a member of the House, you do it en masse; and I never said, “So help me God.” I always said, “I so affirm;” and nobody could hear me because there were 440 of us.

I did ask the governor of Massachusetts earlier this year to appoint me to a temporary vacancy in the U.S. Senate. I had no interest in being a long-term returner to Washington; it was for just a few months, and I thought these were critical times. It was my plan, if I had been selected, to warn Vice President Joe Biden who would administer the oath of office, and to stand there with my hand on the Constitution held by my husband and affirm that I would uphold the Constitution. I would “affirm” my commitment, and was hoping to make that statement.

So, how do you do it? The same way it happened with gay people. People need to come out; that’s what did it with gay people. Once people began to realize that there was not this stereotype that existed only in their minds – but their brothers and sisters and fathers and mothers and clients and doctors and teachers and students and teammates, and so on, these were the gay and lesbian people – it eroded. There is always a cultural lag on the part of the politicians; and the public is ready to be more supportive of people who do not profess their religion. The semantics of it are interesting, too. Being “atheist” sounds like you’re repudiating other people’s beliefs; having no religious preference, or not being religious, is probably the way it will be smoothed into.

Question: It seems that the gay rights laws have created the occasion for thuggery – for gay people to beat up on Bible-believing Protestants, for example. I’m wondering, what is your biggest fear in life? If you were to judge between Bible-based Christianity and Satanism, which are you more fearful of?

FRANK: Your assumption that gay-rights laws are leading to violence against Christians has no factual basis. Gay people beat you up because you’re a Christian? To be honest with you, I do not believe you. Did you report it to the police? The fact that you apparently did not report this to the police reinforces my belief that it didn’t happen. As to whether it should or shouldn’t happen, the hate crime law that I supported applies to any gay person who might attack a person because she was straight, or to a black person who might attack someone because he was white. The hate crimes laws apply equally. As a great student of law enforcement, I find the notion that there is widespread or even occasional violence by gay people against straight people is simply a fantasy.

As to Christianity, in representing my district I worked closely, as I said, with the Archdiocese of Boston and the Diocese of Fall River on affordable housing and immigration matters. I dedicated a subsidized housing site in the church in which John Kennedy was baptized in the Town of Brookline, standing next to our cardinal, over the objections of some of the neighbors. My answer is, “No, I’m not afraid of Christianity.”

I believe this, about conflicts in the world. In Northern Ireland, I thought both Catholic and Protestant clergy
played an unfortunate role. In Africa and Sri Lanka, Muslim leaders have played a terribly blood-thirsty role in many cases. In Myanmar, the former Burma, the Buddhist majority is actively and violently persecuting the Muslim minority; and, by the way, I will throw in the ultra-Orthodox in Israel. I am unhappy to see leaders of any religion urge people on, when they act violently toward others.

As to Satanism, I certainly don’t approve of it, but I must tell you, I have never encountered it as a significant social factor, so I don’t regard it as a great danger. I think it’s a great error to worship Satan. In my case, it is doubly unwise because you are worshiping something that is not only evil but doesn’t exist. So, that seems to me to be a double problem. (Applause)

**Question:** You say the moderates within the Republican Party have been intimidated by the Tea Party element, and must do battle with them to restore bipartisanship. Do you see signs of this occurring?

**FRANK:** I would say, yes and no; but it depends. These days, being a moderate Republican is very difficult; the pressures of being a Republican today often submerge moderation. Susan Collins didn’t think the government should be shut down; but that didn’t stop her from voting to keep it shut down. I haven’t heard that Susan is going to vote for cloture on the filibuster of former Cong. Mel Watt of North Carolina, a very able guy, to head of the Federal Housing Finance Agency. For a Republican, she stands up for moderate values more than most; but nobody makes anybody be a Republican, and there are pressures on her that she could avoid.

Angus King shows a different response. He’s declared himself independent; although if you were to know only his voting record, you would guess he was a Democrat. By declaring himself independent, he preserves a little bit more of his autonomy there.

Susan Collins does well for a Republican; but her choice to continue to be in that party is a problem, because control of the Senate is now in doubt. The single most important vote Susan Collins or anybody else will cast in January of 2015 is, “Will the Majority Leader be Harry Reid or Mitch McConnell?” As long as Susan says Mitch McConnell, moderation and bi-partisanship will be submerged.

**Question:** Can you explain whether or not our government is adequately protecting us against a future financial meltdown?

**FRANK:** We are, to the best of our ability. I can’t predict the future, but we have clearly outlawed the kind of irresponsible behavior we saw before. Let me put it this way: the answer is, yes, for a while; but I can’t say that permanently.

The private sector creates our wealth; and it is governed by rules set forth by the public sector. The thing about the private sector is that it’s constantly innovating. There’s a nice thing about innovation in the private sector: participation in the private sector is voluntary. If you don’t like it, don’t buy it (although sometimes there’s a monopoly). It innovates. At some point, though, innovation reaches a kind of critical mass, and the economic system becomes very different from what it used to be. Then it’s important that the government be able to step in, because the old rules don’t make sense any more, and we need new rules.

“There should be inequality in the private sector, with some limits at the extremes; and one-person, one-vote in the public sector. What the Supreme Court has done is to allow the unequal wealth of the private sector to moot the equality of the public sector,”

In 1850, there were no really big businesses in America. By 1890 there were coal and steel and oil and railroads, and you needed to create antitrust laws, the Federal Trade Commission, and the Federal Reserve; and they did it. There were some crashes along the way, but that worked well. Then, when you got these big businesses, something new came in: the stock market. You don’t need stock for family-owned companies. What happened was, the stock market evolved and there weren’t rules for it, and that contributed to the problems that led to the Great Depression. So, much of what Franklin Roosevelt did, in addition to welfare and job stimulation, was to create the Securities Exchange Commission, do deposit insurance, regulate mutual funds, *et cetera.* And the system that Roosevelt created worked for a while.

He created the Securities Exchange Commission to stop the shenanigans in the private sector; and his first chairman of the Securities Exchange Commission was the chief shenanigan-izer of all, Joseph P. Kennedy – who said, “Hey, fellows, I know all the tricks; and they’re over!” (By the way, people have sometimes been unfairly critical of Obama, because some of the people he’s appointed to the regulatory agencies have been from the private sector.) Beginning in the 1940’s, the new system of regulations worked pretty well. It was based to some extent on a situation in which if you borrowed money, you borrowed it from the person whom you had to pay back; and when people lent money to persons whom they were expecting to pay them back, they knew pretty clearly who they were.

Then, in the ’80s, two things came along. First, greatly increased amounts of money became available outside the banking system. The bank system is very, very good;
but now you’ve got money outside the banking system. Second, information technology came along, so you were able to take all these instruments, package them as securities, and sell them. In particular, what happened was this: people began to make loans and, instead of getting repaid on the loan, information technology allowed them to put all the loans into a security package and sell it; and they were no longer involved if nonpayment resulted. That’s why it’s called securitization; they sold mortgages as a security. This was a disaster; and what we have done is to try to deal with this.

Now, there’s now a fight going on in Washington over one of the things we put into the law: that if you’re going to lend something and then sell it as security, you’ve got to keep some of the risk; I worry that some people are trying to undo that. We had the crisis because of this conservative philosophy of non-regulation. We waited too long. What we did in 2009 and 2010 should have been done in the late ‘90s; and, you know, the country waited too long for FDR’s reforms. We put in rules, just as Roosevelt did to stop the abuses of the ’30s, and what Theodore Roosevelt and Woodrow Wilson did to stop the abuses of the late-1890s. We have stopped those abuses, but I can’t tell you there aren’t going to be new ones.

The one thing we did do that we learned from the past is this: we empowered our regulators now to get into new areas when and as needed, without having to go to the Congress to re-authorize it. I am somewhat confident that we now have regulators who will stay on top of this. We have made it very unlikely that we will have a crash in the next 30 years; but I can’t tell you what new things the private sector may get into that might cause future problems.

The CFTC was a sleepy little agency that was in charge of regulating pork bellies and corn futures, and keeping that from being abusive.

In the period I was talking about, part of the market innovations were the “derivatives” that grew out of all this money, and the securitized loans that weren’t going to be paid back to the persons that made them. The derivatives were bets made on the basis of the securitized loans. We gave the CFTC the power to regulate these, and we have a very good chance of regulating them with Gary Gensler in charge as chairman; but the Republicans in control of the House have refused to give them adequate money. So, the CFTC has a budget of $300 million to implement rules for hundreds of trillions of dollars.

Added to this is the conservative control of the federal courts in Washington, DC that are very tough on regulators. The President is trying to get some new nominees, and they’re being filibustered in the Senate. I’m worried about this risk regulation. In general, we are going forward. Efforts to repeal the legislation will go nowhere so long as Barack Obama is President, and by then they will all be in place. The danger in the future is that they will appoint regulators who don’t want to regulate; but even then, there will be some momentum built up with these rules. The current threat is the failure to provide funding enough to the CFTC. With all this, I believe much has been done; and by next spring, the law will be fully implemented and it will be permanent. There won’t be any danger of repealing it.

**Question:** I would like your comments on why we need such a huge military, so much more than other nations And as an aside, I would like to say we atheists have to be better, because we have no one to forgive us.

**FRANK:** It is true that absolution can be a very convenient way to rationalize things.

The answer to your question is, we have no need for so large a military budget, thank you very much! I read a recent article in *The New York Times* that explained what new things the Army was doing in Africa. This was clearly an article the Army wanted to see published, so people would know how important they are. There was the following sentence that clearly came from the Army, “With expenditures in Iraq and Afghanistan winding down, the Army is now searching for new military missions around the world”.

In other words, to go back to theology, God forbid that we should save some of that money! First of all, the military got their high levels pumped up by the wars in Iraq and Afghanistan. Now, they’re acting as if that’s their entitlement, and they’ve got to keep spending it. The answer is, the military budget is wildly inflated; and this goes back to some of the other things we do.
Do you want to deal with inequality? Do you want to diminish the anger at government? I do. We are in a vicious cycle. People have expectations that the government will deliver services; and the government can’t deliver the services because it’s underfunded; and then people get angry at them. We’ve got to break this cycle. I have two ways to break the cycle: one is substantial reductions in the military, at the federal level; the other is at the local level, ending the laws that put people in jail because we don’t like what they put in their mouths. That’s not just marijuana; that would be heroin and cocaine, as well. I would ban only those substances that cause people to hurt other people; except that the biggest one of all is alcohol.

At the federal level, the military budget is wildly overdone. After the collapse of communism, both George H.W. Bush and Bill Clinton began to bring it down. Then Vice President Dick Cheney, under George W. Bush, succeeded in pumping the military budget back up by inaccurately equating terrorism with the kind existential threat represented by the Soviet Union at its height. Terrorists are very bad people, and I have no objection to shooting them if we can find them; but they are not a threat to the existence of the United States. Nuclear submarines do not defeat terrorists. I wish they did, because we have a lot of them, and they don’t have any.

In the absence of this Soviet-style threat, there is the notion that we have this world-wide role to play. Even the President gets into it, when he says, “America is the indispensable nation.” No, we’re not. If I thought we could do some of these things, I would be morally conflicted, because we do need some of the money here at home.

Here’s the fundamental mistake that we make: we don’t understand this distinction. We have a wonderful military, excellent people, better equipped than any military has ever been, and they can do well what a military can do. They can stop bad things from happening; but no military can make good things happen. No military can make the Shi’ite and Sunni get along in Iraq, or end corruption, or promote democracy in Afghanistan, or create social cohesion in Somalia, or do any of these things. So, we should substantially reduce the military budget.

I mentioned the Army, and I don’t want to single them out. Two other examples come to mind. Mitt Romney went after the President and said, “We need more ships.” The President to his credit stood up to that, and I’m encouraged. I think the public is ready to support this reduction. Why do we need more ships? “Well, I worry about the Iranians;” but we have plenty of ships there. Why do we need even more ships? “Well, we have to be careful about an emerging China, and to keep open the sea lanes.” Now, why would China want to shut down the sea lanes? Do you know what happens on the sea lanes? China makes an enormous amount of money. China no more wants to shut down the sea lanes than a pizza delivery truck wants to tear up the streets; that’s how they make all their money!

So, we don’t need as big a Navy; and then we have the Air Force. Go back to the Wall Street Journal on the Wednesday after the 2012 election, to an article by a man who had been Assistant Secretary of the Air Force under George W. Bush. Here’s what he said: “We have a problem with the Air Force. It is true that no American has been injured by hostile air power since 1953; and America has had total air superiority on every battlefield since 1953. Because of that, some people think we don’t have to expand the Air Force.” I said, “Well, yes, I would tend to think that.” And he continued: “Why do we need to expand? Because we must be able to respond to any trouble spot, anywhere in the world, at any time.” So, yes, it is vastly overdone.

Money does not influence people as much as you might think. I don’t believe it changes how people vote. It does have too much influence on who the people are who get to vote in Congress.

We once had the potential of thermonuclear war with the Soviet Union, and three ways of dropping our weapons on them, called “The Triad.” We had nuclear submarines with multiple independently-targeted re-entry vehicles, well over a hundred on each submarine. We have the strategic air command. We have intercontinental ballistic missiles, all to make thermonuclear war on a Soviet Union that doesn’t exist anymore, and does not have the capacity it once had. This sounds like a bad joke! I want to say to the military, “You know what? You have three ways of destroying the defunct Soviet Union; why don’t you pick just two? Give up one, and save us billions of dollars.

Finally, Harry Truman did a great thing. After World War II there was a vicious dictator, Josef Stalin, with a large military force. There were the weak and poor nations of western and central Europe because of the war. Russia was weakened, too, but Stalin and his oppressive regime were able to threaten central and western Europe. So, Truman sent American troops to protect the weak from this vicious dictator. The vicious dictator is dead and his system has dissolved. The weak and poor nations of western and central Europe are today neither weak nor poor. One element hasn’t changed, however; we still have troops there for no purpose.

Yes, it is vastly overdone. I believe we can save well over a hundred billion dollars. And there is an action item here for you. Mention this to Susan Collins, or to Angus King. A Congressional sequester will go into effect in 2014, and it will hit the military as well as domestic programs across the board. There will be a push by the na-
tional security people to take money out of the domestic part of the budget and give it to the military; and you will be told that we will be in grave danger, otherwise.

When they tell you we’re in grave danger, do you know what you can suggest? Maybe the Army does not have to go all the way around the world seeking new missions. If we were in danger, they would probably know that, and they wouldn’t have to go looking for missions. Your congressional delegation can be told, “No, don’t take money out of housing and environmental cleanup and transportation and local police, and put it to the military.” That is the single most important thing you can do, to downscale it.

**Question:** I am curious to know your thoughts about having to get so much money – thousands of dollars every single day – to run an election campaign?

FRANK: As I said earlier, that is the Supreme Court’s fault. However, money does not influence people as much as you might think. I don’t believe it changes how people vote. What it does is have too much influence on who the people are who get to vote. That is, people don’t get elected and then change their position because of the money; it influences the kind of people who run and get elected. It determines who the politicians are who win. It doesn’t so much affect you once you’re there.

One of the things that bothers me most is my friends who tell people, “Oh, don’t bother trying to talk to these politicians; they don’t pay attention to you, they only pay attention to the big money.” That’s a serious interference, a form of voter suppression just like what the Republicans do by requiring all this voter ID. Don’t tell people that their vote doesn’t count, because then they won’t vote; when, if they do vote and speak out, their votes do count!

I didn’t agree with everything the Occupy movement did. I certainly agreed more with Occupy than the Tea Party, and I wish Occupy had the political sense of the Tea Party. I was on a TV show with someone from Occupy and said, “You know, one of the things that troubles me is that I never saw a voter registration table at an Occupy site.” She said, “Well that’s not what we’re into.” “Well,” I said, “that’s called, affecting public policy.” Votes still matter. And the bigger problem with money is that the wrong people get elected.

**Question:** How are younger generations going to deal with Social Security becoming insolvent if changes are not made?

FRANK: It won’t become insolvent. Do you think any politician in office at any time is going to vote to let Social Security go down? Of course not! By the way, if economic growth comes back, Social Security will be just fine. The Social Security tax is paid up to a hundred and some-odd thousand dollars of income. Medicare goes up higher. When President Obama campaigned, he said he was going to raise the marginal tax rate on incomes above $250,000 a year, for Social Security. He had to compromise and set it for only those above $400,000. I would levy the Social Security tax on the income between $250,000 and $400,000, and bring in a lot more money. Then, if necessary, there’s no principle that says Social Security must only be financed this way. Let’s cut the military budget and, if we need a little bit more for Social Security, put it there. But it’s not going to go insolvent. No politician is going to vote to let it.

**Question:** Do you have any hope for tax reform?

FRANK: No; and the reason is, the public. There are no tax breaks that aren’t there because people want them. There are a number of things that are in the tax code that you wouldn’t put in there if you were starting afresh, but they’re there: the mortgage interest deduction on people’s homes, charity, research, and development, and so on. You can get minor stuff, but I don’t see any big ticket items that are available. The problem is that most of the special breaks are there because people want them there; they serve a vested interest. And you say, “Well, it happened in 1986 and maybe it might happen sometime in the future?” I’m very skeptical. Maybe ten years from now, once the right-wing loses its grip on the Republican Party. At this point they only believe in tax reductions. They wouldn’t support any tax increase on anybody; and that’s the problem.

**Question:** I’m a student here at USM and also in a program called Emerge that trains Democratic women to run for office. I’m struck that you felt you were a better legislator than a candidate. I struggle with the idea of being a candidate and am hoping you might speak a bit to the process. What is it like?

FRANK: It’s very hard. Talking about women politicians, I’m very proud to be in the district of my very good friend, Chellie Pingree, who is a superb member of Congress and a good role model for all women. (Applause) But it’s a tough business.

First of all, there’s the emotional strain. Running for office is the only thing I know of where, on a given day, you’re either a hundred percent successful or a hundred percent a failure. If you are a lawyer, the client goes to prison, you don’t. The patient dies, the doctor doesn’t.
There is no other line of work where you’re either all or nothing. You are out there, running for office, and all of a sudden you lose! The total loss of thing! It is also the great exposure of your personality. You become fair game for every kind of comment.

It is not fun and stimulating. You get to give some speeches that are very repetitive; but much of what you do is campaigning, going door to door. Let me ask you, how many people welcome strangers coming to their door to intrude on them; or standing on a street corner and handing out leaflets to people trying to get home; wishing you would stay the hell away from them, stop bothering them? Next time you hear somebody tell you she loves campaigning, you’re probably listening to a liar or a psychopath. It’s really not fun. The answer I give is, “If campaigning is so much fun, why don’t people do it when there’s no office to run for?”

You don’t run because there’s something at the end; you run for office because it is important. There are things you might do in running, practical matters; but there is no rule book. The first rule is, be yourself! If you’re trying to be something you’re not, that’s not going to work well. If you’re not sure about this, seek out the lowest entry-level office you can, where you can get to know people by who you are; the bigger the arena, the greater the superficiality factor. Go to a fairly small constituency; then, once in office – and I think this helped me – once in office I impressed people more by being in office than I did when I was a candidate.

There is this difference, though. The first time I ran for Congress, people tell me, I was a lousy candidate: I was argumentative, I was nervous, I was tense. Then, I had to run for re-election. I was gerrymandered and thought I was going to lose. For a variety of reasons, I didn’t; but starting out, I was the best I ever was as a candidate, when I thought I was going to lose. It was the freedom of the thing! Nothing left to lose! I was relaxed and loopy-goosy. And not just me. Ted Kennedy ran for President. I was up here, in fact, working on the Maine caucuses in Augusta, when that happened. He was a lousy candidate at first, and then it became clear that he wasn’t going to win; and he became a great candidate, he was free and loose. It was great!

Don’t have expansive expectations if you’re interested in public office; just be yourself! Find a small constituency where you can feel comfortable, be yourself, and go from there!

Thank you all, very much! (Applause)

HOST: I was going to ask Barney what he thought were the sources of his authority and effectiveness in the Congress; but I think you’ve all learned that already. And thank you again for being here. (Applause)