



Summary of Discussion with Al Quie and Martin Sabo

Civic Caucus, 8301 Creekside Circle, Bloomington, MN 55437

Friday, December 11, 2009

Present: Verne Johnson (Chair, phone); David Broden, Paul Gilje, Jim Hetland (phone), Dan Loritz, Tim McDonald, Jim Olson, Wayne Popham (phone), Tim McDonald, Bob White

A. Context of the meeting - The coming off-year session is going to require supreme amounts of statesmanship and leadership. As will the next year, and those to follow. The two with us today, from different political parties, have both exercised impressive bi-partisanship throughout their careers. They will provide their thoughts on the Civic Caucus' argument for redesign of the public sector to help resolve long term problems the state faces.

B. Welcome and introductions - Dan and Paul welcomed and introduced **Al Quie**, former state legislator, former member of Congress, and former Governor, and **Martin Sabo**, former state legislator, former Speaker, Minnesota House, and former member of Congress. Both were born and reared on farms, Quie in Minnesota and Sabo in North Dakota. While their careers paralleled one another, they never served together in either the state Legislature or Congress. Quie is a Republican; Sabo, a Democrat.

C. Comments and discussion - During Sabo and Quie's comments and in discussion with the Civic Caucus, the following points were raised:

1. Support with different views of Civic Caucus statement on redesigning public services — Dan, as chair, opened discussion by asking the speakers for their reaction to the statement *Different Choices*. Find the statement at <http://bit.ly/8g11aT>.

Sabo and Quie are among some 120 individuals who signed on in support. "I won't give it an A+," Sabo responded first. He is concerned with resolving the present budget shortfall. Redesign is more of a long term issue, he said. "I have a real problem with getting the public as well as the legislature to understand the severity of the problem. There needs to be serious cuts and new taxes." The statement does not make that case forcefully enough, he said. "The biggest cost driver is long-term care, and health care-both of which are being pre-empted by the federal government."

Quie came in: "I signed on because one always needs to think of redesign. Crisis energizes the mind. Redesign is long-term." Quie said he also believes that revenue increases will be needed to solve the shortfall issue. Civic Caucus members noted that getting a start on redesign in the short term will help

lawmakers offer something positive to offset the negative aspects of revenue increases and spending cuts.

2. Importance of candidates for governor making proposals —During discussion of key characteristics for Minnesota's next Governor, Quie said that he admires candidates with the courage to advance proposals for change, even though candidates might expect attacks from the opposition. However, he said, some Republican and Democratic candidates campaign on change but after the election fail to work with the other party.

3. The need for trust in state governance —There is something very basic missing, the Quie said: Lack of trust. "When I became Governor, there was not trust between the DFL legislators and me to solve serious problems. Governors and legislators need to die to their political selves and put the state first. It took more courage for me to not run again in order to do that than any other decision I have made."

For Minnesota's next Governor, and the legislative leadership, trust is required. They simply "cannot stay in ideological camps," the former Governor said, if they want to govern well.

Trust means you cannot demonize those you disagree with, Sabo said. A member voiced concern that candidates today seem to emphasize polarization, not consensus-building.

To illustrate the importance of mutual respect in producing trust, Quie shared a story: "Roger Moe was my chief nemesis and as DFL leader was supposed to be. I tried to work with him at first, and couldn't. Then a trust developed. And we worked together. We put the state first. He quoted Moe as saying, 'Governor, if you can put something together that will solve not only this budget shortfall, but into the future, I'll commit my caucus to it.' I decided that we had to increase taxes," and Moe made politically difficult concessions, too.

A member asked, How did you build this trust with Moe? They found something to connect on. "I was speaker at an event for donors to Concordia College in Moorhead. When I got up to speak, I realized that we were all there for at least one common reason and not the state's financial woes. So I said, 'Instead of saying what I prepared, I'll speak to you about the Holy Spirit.' Roger was there, too, to give a prayer and he included me. Afterwards he came up to me, and we shook hands. I invited him to come to see me when he came down to St. Paul."

A bit later on Moe showed up at his office. "The staff was shocked. 'What are you doing here!?' they asked. There was a sense that he was the enemy. But I had invited him. In those 20 minutes together, we formed a bond. And I knew: I would never break his trust. Because once you do, you can't get that back."

That trust proved pivotal in governing. "There was a time where I said to him, 'If you offer that, I'll protect you from the Republicans.' We both took hits for this; some he has never lived down. But we could survive it because we looked out for each other."

4. Be cautious about promising too much — Sabo said it is important for candidates to keep options open and avoid promising too much to supporters, particularly in the 2010 campaign. "I wish candidates will make a pledge-to not make pledges," Sabo said. "The next Governor is going to have

a problem communicating just how significant the problem is. Virtually unprecedented. We had a big one in '71 (budget shortfall), but nothing like this." Speaking personally, he said he doesn't know what mixture of revenue increases and spending cuts should be part of any final action. Lawmakers need to remain flexible and work with one another across aisle, he said.

5. Put parents first, not the educational institution — Both of you have strong views, the chair came in. But what I've heard from you is not new. *What kind* of changes would be helpful in solving the long-term problem?

"Education is a must," Quie said, beginning with pre-k. "You cannot have an education system where students are lost in the early years." And the size of schools. "When you see Minneapolis Public Schools closing some buildings to fill others, that's putting the institution first. Parents aren't involved. The community is not a part of the schools. Going into some schools the security is like a prison—but not for some schools, like Hiawatha Leadership Academy that I visited last year." He emphasized the need for local, community-based parental leadership in schools.

Quie suspects there are ways to staff differently, more creatively. As the Governor must put the state first, education leadership must put the students first-ahead of the system. He recalled becoming the president of a non-profit organization. "As I walked around with the CFO looking at the flow of the organization." It was obvious, it was obvious we could redesign. We could cut three employees and serve people better. "When you are protecting the institution you don't see that."

6. Involvement of the citizenry — What about aging services and involvement of seniors? "We've got to get creative with it," Sabo said. The speakers agreed: the best system of federal, state, or local care is the cooperative arrangement. "I don't care who you are, and how dumb the federal government thinks you are," Quie said. "There is a wisdom here at the very-local level. People learn from each other, how to care for one another."

7. Resistance to change from advocacy groups — Sabo and Quie agreed that government structures reflect too much the interests of advocacy groups. "Last Friday," a member noted, "Jan Malcolm was in and said that in both the executive and legislative branches are organized the way lobbyists want—not the way problems require. Malcolm said we need to consider problems in a systemic way, examining health, for example, in education and housing in addition to usual 'health care.'"

"They (advocacy groups) would rather take a cut in spending," Sabo responded, "than lose their silo. People throughout the government process want to protect their silos."

"We need a huge restructuring" of the Legislature, Quie said, "with fewer committees. Members could develop more expertise, then, and do the compromising *themselves* instead of relying on staff and lobbyists. Lobbyists are important to articulate positions, but the legislators should be the ones doing the negotiating."

8. Reduce state government influence over local government decisions? — On local government and the improvement of services, one member observed that, "We have hamstrung local government to the point where they cannot move. But—that's where the innovation happens."

The notion of local-governance, and local-control, raised an interesting question: "My sense," a member said, "is that in the past the citizens played more of a role in bringing ideas to government. We prided ourselves on innovation, and let the legislators resolve the proposals."

9. Restricting lawmakers' flexibility in solving budget problems via constitutional amendments? — A member noted that twice in the last four years the state constitution was amended at the urging of advocacy groups to guarantee revenues to certain functions, thereby removing a measure of lawmakers' flexibility.

Quie said, "I've always thought that the more revenue that is controlled by the Governor and Legislature, the better." The two speakers agreed that we shouldn't be surprised if other advocacy groups—after having seen the transportation and the arts/environment constitutional amendments adopted—would try to get constitutional revenue guarantees, thereby removing themselves from the biennial battle over the general fund.

"The legislature is not providing the services people want," Quie followed. There **needs** to be balance and priorities. "When I was in office I was confronted all the time with the fact that some people didn't see the whole picture. I had to, I was Governor." That's the nature of a republic.

10. Balancing the public interest with the political party interest in primary elections —

Returning to the importance of the upcoming race for Governor, Quie and Sabo agreed that because of a wide open race in both major parties, it would be helpful if serious candidates, even though unendorsed, would pursue their objectives through the primary election, instead of being talked into yielding to endorsed candidates and withdrawing from the race.

11. Re-emphasis on severity of the budget problem and the need for trust among office-holders — Any closing thoughts the speakers would like to make sure are in the notes?

Sabo took this time to re-emphasize the severity of the budget problem. "The problem the state faces in 2010 is immense," he said, and "goes beyond what any of the candidates for Governor have said so far. Everything will need to be looked at on the spending and taxing side."

"I'd agree," Quie added. "The people don't realize how bad it is. When the \$1.2 billion shortfall came this quickly in this biennium, it shows we missed something."

He also re-emphasized the need for trust between parties, amongst one another, during this time of crisis: "You can't solve problems without trust."

To close, a caution-and a reminder of what is ultimately most important: "When Iceland went broke it got rescued by England. When America goes broke, nobody will save it. Communities will need to pull together."

12. Thanks — On behalf of the Civic Caucus, Dan thanked Quie and Sabo for meeting with us today.