

# Walz, Demmer: Big differences, small agreement

## Leading candidates in 1st District tackle parade of issues

By Mark Fischenich

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### MANKATO —

Congressman Tim Walz and Republican challenger Randy Demmer are in the thick of summer parade season, where the two leading candidates in the 1st District greet the crowds with plenty of waves, lots of handshakes and no time for in- depth discussion.

As a contrast, Walz and Demmer were given a chance this week to tackle a parade of issues facing Congress and the nation. In almost every case, they're on opposite sides of the street.

Wall St. and Main St.

Walz, a two-term Democrat from Mankato, voted for the legislation aimed at preventing the sort of financial meltdown that two years ago triggered the worst economic recession since the Great Depression.

Lobbyists from Wall Street and other financial firms strongly opposed the bill, which was also opposed by most Republicans but squeaked through the Senate last week with a trio of GOP votes.

" This is about re- establishing basic policies that have been in place since the Great Depression to ensure that what happened in 2008 doesn't happen again," said Walz, who blames President George W. Bush and the Republican- controlled Congress earlier this decade for failing to regulate the big financial firms.

Walz said the bill also includes enhanced protections for consumers from unscrupulous practices by credit card companies and other lenders.

Demmer, a state lawmaker from Hayfield, said the financial collapse was largely the result of the actions of a half- dozen large Wall Street institutions, but the sweeping legislation will potentially harm smaller businesses and the agricultural economy nationwide.

" The concern I have is it doesn't just affect large institutions, it affects everybody," Demmer said.

Walz concedes that smaller banks and businesses are concerned about the bill, and he said Congress needs to be nimble enough to correct any problems that arise. But doing that is preferable to the Republicans' preferred response — maintaining the status quo

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despite the sometimes outrageous and irresponsible practices of the large banks and financial firms.

" They've made it very, very clear they want nothing to change," Walz said of Republicans.

Demmer doesn't dispute that some changes may be needed in financial regulation, but he said his first impulse would be to identify and punish those responsible for the reckless behavior. "I think it's difficult to enact enough regulations and rules and laws to prevent people from making bad decisions," he said.

## A healthy dispute

Demmer wants to repeal the landmark health care reform legislation muscled through Congress by President Obama and the Democratic leadership earlier this year.

The legislation requires larger businesses to provide health care coverage for employees, requires virtually all Americans to purchase medical insurance and provides subsidies to businesses and lower-to-middle-class Americans to help cover the costs. The bill also requires federal agencies to develop plans for moving health care toward a less expensive outcome-based system of providing care. Demmer has called the bill a “government takeover” of the health care system.

Although it leaves the current system of private insurance companies and medical providers in place, the level of regulation and mandated coverage is a big step toward nationalized health care, he said.

“I believe it is, because I believe the goal ultimately is to have it government-controlled, government-mandated,” Demmer said. “... I just don’t agree philosophically with the government coming in and mandating that private businesses are responsible for health care.”

And he has serious doubts about estimates by the Congressional Budget Office that the bill will reduce federal deficits in the future.

“I think it’s ludicrous,” Demmer said. “It’s all funnymoney.”

Walz said the Republican talk of socialized medicine and government takeovers is indisputably wrong.

“We don’t have a nationalized health care system. We don’t even have a public option,” Walz said of the government-sponsored insurance option that some Democrats unsuccessfully tried to add to the bill. “It’s rhetoric that’s meant to be divisive. It’s rhetoric intended to keep the unease going.”

Walz said action by Congress was necessary in the face of skyrocketing insurance premiums. And he said people are becoming increasingly comfortable with the reform as its details — like the 35 percent tax credits for businesses for their health care expenses — become better known.

And while it might be seen as radical reform by today’s Republican Party, it wouldn’t have been by party members 20 years ago, according to Walz.

“The health care bill was basically the Republican proposal of 1994,” he said.

## Full DISCLOSE-ure

When the Supreme Court ruled in January that corporations had the same free speech rights as individuals to try to influence elections, many Democrats and some good-government organizations were appalled and predicted dire results for American democracy.

Many Republicans and some civil liberties groups applauded the decision, saying that the Supreme Court had restored the 1st Amendment rights that had long been denied to certain segments of society.

The congressional attempt to respond to the decision was dubbed the DISCLOSE Act. Walz voted for the bill, and Demmer has criticized him for it.

Walz said DISCLOSE simply requires corporations, using their new freedom to run political ads in the closing weeks and days of a campaign, to tell voters who they are at the end of the ad.

“Let’s at least say where the money’s coming from,” Walz said. “... I think the American people at least deserve to know that.”

The law also requires most nonprofit and for-profit organizations to disclose their top donors if they get involved in campaign activity.

Without the law, even an overseas corporation or foreign leader could form an innocuous sounding group — Americans for Prosperity, or something — and anonymously attempt to defeat an American lawmaker whose actions had irritated them, Walz said.

Demmer said the law attempts to stifle free speech by creating “hoops for organizations to jump through” before they can engage in activity that the Supreme Court specifically ruled was legitimate.

“I think privacy in some of the things you do is fine,” Demmer said of the large donors addressed in the legislation. “... What’s the difference between that and somebody contributing to their church or some other nonprofit organization or a (business association)?”

The Walz campaign said the state House of Representatives, where Demmer has been a member since 2002, unanimously passed legislation this spring that attempted to address the same issues in state elections as the DIS-CLOSE Act does in federal elections.

But Demmer said he has another concern with the DISCLOSE Act — it exempted some organizations from the requirements including the National Rifle Association and the Sierra Club.

“I think you have to be consistent with your legislation,” Demmer said.

Walz said he was willing to accept the exemptions for the NRA and other largemembership groups because they already consistently reveal their sponsorship of ads — wanting their widespread members to know their donations are being put to use.

Extended debate

When it comes to a pair of extensions, Walz and Demmer also disagree.

Demmer favors extending the Bush tax cuts, set to expire in coming years, and Walz doesn’t think America can afford them all.

When it comes to extending unemployment benefits for the long-term jobless, Demmer isn’t sure that’s wise and Walz strongly favors it.

First the tax cuts, which range from reductions in the taxes on multi-million-dollar estates to tax credits for people with children. Walz said he would look to preserve some of the middleclass tax cuts and would be willing to negotiate on estate taxes to help small businesses and farmers, but he believes most of the Bush tax cuts need to be allowed to expire as scheduled.

They were too heavily weighted to the wealthy, they didn’t spur economic growth promised by Bush and other Republicans and they contributed to growing federal deficits, according to Walz.

“My Republican colleagues need to acknowledge they blew a substantial hole in the budget,” he said.

Demmer said “the vast majority of the cuts” need to be preserved. Because they’ve been in place for nearly a decade, individuals and the economy would feel the negative impact of their return in the same way they would a tax increase.

Given the sluggish economy, higher taxes would be a very bad idea, according to Demmer.

“We need stability in the marketplace,” he said.

As for extending unemployment benefits, approved by the House but not the Senate, Demmer would be reluctant.

Unemployment checks serve as competition with private employers seeking to hire, Demmer said. He’s talked to business owners who want to add employees but have been turned down by those who choose to stick with their unemployment benefits.

“We have people not taking a job because they have unemployment,” he said.

For those who reach the end of their benefits, Demmer is confident a job will be found.

“People are resourceful,” he said. “When they’re put in a position to really go and find something, I think they will.”

Walz strongly disagrees for a couple of reasons.

“One is just the human side of it,” Walz said of people needing help in a bad economy. “The other is the economic side of it. It’s the fastest way to get money into the economy.”

A point of agreement?

The substantial increase in the federal deficits and Democratic mismanagement of the budget is a cornerstone of Demmer's campaign, and he and Walz will be debating the issue until Nov. 2.

The themes come through quickly. Demmer's question for voters: Is Walz really a fiscal conservative, or does he just play one on TV during election years?

Walz's message: The deficit is serious, and it isn't going to get fixed until both sides set aside the simplistic partisan rhetoric and start working together.

But on one issue, they agree. Demmer rips Walz and the Democrats in Washington for failing to even pass a budget outline for next year — the first time that's happened since current budget rules were put in place in 1974.

The annual deficit is approaching \$1.5 trillion and the overall federal debt is \$13 trillion, and Democrats are looking to avoid any votes that highlight the mess until after November, Demmer said.

"I think it's just irresponsible," he said.

"Unacceptable," Walz agreed. "... They're right, and I'm not going to defend it."

"My Republican colleagues need to acknowledge they blew a substantial hole in the budget."

1st District Democratic Congressman Tim Walz

"I think it's difficult to enact enough regulations and rules and laws to prevent people from making bad decisions."

Republican 1st District candidate Randy Demmer



Submitted photo

State Rep. Randy Demmer, the Republican candidate against Democratic Congressman Tim Walz, has been introducing himself to southern Minnesotans since he won his party's endorsement this spring.



Submitted photo

Democratic Congressman Tim Walz is campaigning across southern Minnesota for a third term in the U.S. House of Representatives.

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