



Newt Gingrich Calls the Show

May 19, 2011

BEGIN TRANSCRIPT

RUSH: We welcome back to the EIB Network Newt Gingrich, who joins us on the phone from Iowa. Hello, Newt. How are you today?

GINGRICH: I'm doing great. We've had two great events in Waterloo and in Marshalltown, and in both places we had to actually move the venue because so many people were coming out to the meetings; and we were talking about the Pelosi Obamacare waivers, and it's getting a very powerful reaction.

RUSH: Did you...? Before we get to that, did you have a chance to hear any of the President's speech this afternoon from the State Department on the Middle East?

GINGRICH: No. No, I have not and –

RUSH: Well..

GINGRICH: -- I'll have something to say about it once we've analyzed but, honestly, I have just not looked at it yet.

RUSH: I won't ask you about that, it wouldn't be fair, but I'm sure you'll have some comments on it. Let's try to cut to the chase here. There seems to be some confusion over your position -- or people's understanding of your position -- on the individual mandate, and it goes back to Meet the Press on Sunday where you seemed to say that you were for a mandate, then later said you weren't; and it sounded to some people like you were being critical of Paul Ryan when you used the term "social engineering" to describe parts of his Medicare solution in his budget. What is "social engineering"? What does that mean to you? I'm not sure I understand.

GINGRICH: Well, can I just take the two one step at a time?

RUSH: Yeah.

GINGRICH: David Gregory brought up an 18-year-old interview, in 1993, on Hillary Care, which we were in the process of defeating. And in 1993, the conservative alternative to government-run health care was you buying your own insurance. Now, I still have not seen the total interview. What I should have said to him is, "Gee, why don't you play the rest of the interview? Let's see the context of that conversation," but that was an 18-year-old tape about a totally different fight when we were trying to stop Hillary Care from taking over health care.

RUSH: But, Newt, I've got some quotes from you from 2004 and 2006, I think, basically advocating the same principle that it's not fair that somebody should be treated if they don't have insurance.

GINGRICH: (garbled) I'm giving a speech in New Hampshire next week outlining how we can apply the Tenth Amendment to solving health problems and how we can use patient power and do it with zero mandates. No federal mandate, no state mandate. This is a topic [John] Goodman and I worked on now for a decade. He's probably the leader -- you know John well -- of this kind of solution. I'm opposed to any federal mandate. I do not believe any state should adopt a mandate. I think there are ways to solve the problem without a mandate. But we're trying to solve three things: Preserve American freedom; ensure that people can have health care; and have some sense of responsibility that if you do get health care, you ought to pay for it -- which is the opposite of the liberal position that you ought to have free health care and somebody else ought to take care of you. So I think that's a very...
That position is very clear.

RUSH: Okay, what was the point of the Republican --

GINGRICH: And by the way, I talked with Paul Ryan about this two days ago and I look forward to very much to continuing to work with him -- and, as you know, I endorsed his budget. I wrote a newsletter endorsing his budget. I think it's a very courageous step in the right direction. He concedes that the Medicare part of it is the beginning of a conversation. It's not a final document; it's not the last bill, and I want us to have an approach which allows everyone in the country to be engaged, to understand that it is a better Medicare system that is fiscally gonna survive and that -- if designed right -- will lead to more innovation, more choices, and better outcomes. So, I think he and I are pretty much on track. What I was trying to say that day -- and I was answering a very specific question by David Gregory which, by the way, had nothing to do with the budget vote. I would have voted "yes" on the Ryan budget. It had to do with this question -- and I'd be curious, Rush, to hear your answer. "If there was a major change that affected the lives of every American..." and not necessarily in Medicare, "...a major change that affected the lives of all Americans, and the party in power had failed to convince the American people that it was the right thing to do, should that party impose that change against the will of the American people?"

RUSH: No, but you've just described the entire Obama administration agenda.

GINGRICH: Right, and all I was trying to say that day was: It's fundamentally wrong for Obama to try to impose a left-wing America against the will of the American people. I believe as a center-right majority we are the will of the American people, I believe we can get a majority for what we want --

RUSH: (sigh)

GINGRICH: -- but that's not what David Gregory asked me. He said, "Would it be okay for us to impose against the will...?" It was a very specific question he asked.

RUSH: Newt, this is very difficult. You're on a cell phone, and because of that you can't hear questions I'm trying to ask you. So this is a bit frustrating for me 'cause I want to go back to three or four answers ago. You yourself said that it was the conservative position in '93 to support a mandate. The Heritage Foundation even had a paper back then supporting a mandate in opposition to Hillary Care, as you said, 'cause they were trying to eventually get to single-payer. Heritage later said: You know, it's not workable; it's not constitutional; it doesn't work out. I know that's what Gregory was asking you about, but still: People can produce quotes from more recently than 1993 of you advocating posting a bond or having a

mandate that people buy insurance, under the premise that it's not fair that somebody not buying insurance should be able to waltz into an emergency room and get treated. So the question is: Why, back in 1993, was it the conservative position to support a mandate in opposition to Hillary Care?

GINGRICH: I think we went through a long evolution, and I've been part of that. I mean, I'll be clear: I think I've reached conclusions different over an 18 year period than I would have in 1993. In '93, we were narrowly focused on trying to beat Hillary, the Hillary Care project. We weren't thinking fundamentally about resetting the country, and I give Heritage a great deal of credit, and I give **John Goodman** at the **National Center for Policy Analysis** a great deal of credit. They, more than anybody else, began the process of thinking through: "If you were not gonna mandate because it's wrong -- at either the federal or state level -- to impose that on people, how could you design a system that encouraged people to be fiscally responsible, to pay for the things they got, and at the same time enable them to buy health insurance if they wanted to? I've consistently said all along: You could never impose a universal mandate. You'd have to have alternatives that allowed people to find ways to not be forced into buying insurance, because I'm very aware of the fact that there are a substantial number of people... I have a good friend who's a Christian scientist, and she said to me, "You know, it would violate my religious freedom for you to impose on me health insurance since I don't believe if using it." Now, I thought... That, frankly, I thought was a very compelling argument. That was part of the evolution as we thought this through, and in the speech I'll give next in New Hampshire I'm gonna outline the patient power model that **John Goodman** has been building; and I'm gonna suggest that we want to apply the Tenth Amendment to return most of these decisions back to the states and to recognize that Washington has been a grand failure at trying to solve health care in a centralized way.

RUSH: Now, look, this is really uncomfortable for me because you know that we've known each other a long time and I've had such -- and still do -- profound respect, admiration, and even envy for your intellect at times. But there's just some things that are confusing me. There's a June 2007 op-ed in the Des Moines Register, and you wrote, "Personal responsibility extends to the purchase of health insurance. Citizens should not be able to cheat their neighbors by not buying insurance, particularly when they can afford it, and expect others to pay for their care when they need it." An "individual mandate," you added, should be applied "when the larger health-care system has been fundamentally changed." The reason why all of this matters now is that 26 states are suing the Obama administration over the Commerce Clause violation of an individual mandate, and yet it appears that there are some on our side who have also supported this, and your appearance on Sunday with Gregory... I know he was going back to 1993, but when you answered it also with the "social engineering" side of it. I don't think it's good left or right, that's why people thought that it was a slam at Paul Ryan. And so that's why this stuff is there and is not going away, because it seems that they can go back into archives and find where you have continually supported it even since 1993, and in the current context of us opposing all of Obamacare because we think the fastest way to beat it is to knock down the unconstitutionality of a mandate it just offers confusion here -- and that's why people are constantly asking you about this. What they want is a satisfying, reassuring answer. They just don't want to think you're not conservative anymore, Newt.

GINGRICH: Well, look, let me say a couple things that you can verify. When Bill McCollum as attorney general and took the lead in the 26-state suit, I actively personally supported him. I encouraged him. I spoke out in his favor. I helped him get coverage. When [Virginia Attorney General Ken] Cuccinelli took the lead was the first person to file a lawsuit, I actively encouraged him and supported him. At the Center for Health Transformation we have been wrestling for nine years with the question: How do you have an affordable health system when you realize if you talk to hospital administrators, people have been taught over the last half century that health is their right, and they don't have to pay for it. So you have people who earn 75 or a hundred thousand dollars a year who won't pay their hospital bills. They just say, "I'm not doing it," and we were wrestling with what's the technique? How do you find personal responsibility without infringing on people's liberty.

RUSH: Right.

GINGRICH: As I said my conclusion ultimately was that these various efforts were going to work -- and I have opposed the Obamacare proposal largely from the Center for Health Transformation for two and a half years. The three best charts destroying Obamacare's credibility all exist at HealthTransformation.net, and they combine, have 115 square feet of charts that you put up a wall. They're amazing. We did all that work, and we actively, aggressively have opposed Obamacare at every stage.

RUSH: All right. Newt Gingrich is with us.

BREAK TRANSCRIPT

RUSH: We're back with Newt Gingrich here on the EIB Network. Okay, we want everybody to be responsible for their health care, but you now oppose mandates. So how do we solve that?

GINGRICH: Well, **John Goodman** has developed an entire approach in which he would give everyone the same tax break if they wanted to buy insurance, and the people who didn't want to buy insurance wouldn't be compelled to. Their share of the tax break would go into a high-risk pool. And if something did happen to them, they would then be eligible for the high-risk pool, but they would also be limited to the high-risk pool. And so they wouldn't have -- you wouldn't have -- an automatic assumption that you would be able to go be taken care of except through the high-risk pool because you'd made the voluntary decision you wanted to live at risk. He wrote a book several years ago called Patient Power and we began meeting at the American Enterprise Institute about these ideas in about 2001 -- and he's really, I think, probably the leading student of developing a personal freedom approach to how you solve the health problem.

RUSH: "The health problem" in a lot of people's minds exists precisely because of government, and therefore to a lot of people -- and I'll throw myself in with them -- the government's the last place the solution to this problem should be. The government messed it up; the government continues to mess it up. There's no evidence or proof that people in government are any smarter than people in the health care business to fix what's wrong. Why do we continue to accept the premise? I mean, you're in a little bit of a trouble here simply because everybody's accepting the premise put forth by the liberals that government must fix, must police, must control health care because only they can do it fairly. We've gotten ourselves into a circumstance... I saw a statistic the other day that explains why we're in this mess. Of every \$1 spent on health care, only 12¢ is paid for by the patient. Imagine, Newt, if you only had to pay 12% of every meal you ate. You wouldn't care what it costs, and that's where we are now, and government has created that circumstance.

GINGRICH: You're right.

RUSH: Getting government out of this is the solution to it.

GINGRICH: Right, and that's why my program will be among the most bold in American history at saying -- not just on this topic, but of many other topics -- we have to have a fundamental break with the last 80 years going back to 1932; that we've had a steady migration towards Washington and a steady migration towards bureaucracy, and a steady migration towards redistribution -- and if we're serious about stopping it, this will be the most decisive break since 1932. I wrote a book in 2002 called Saving Lives and Saving Money, which made exactly your argument. It said: No third-party payment model ever works because you'd never have the buyer-seller relationship, and you only get satisfaction when the person getting this good or service is paying something and the person who's providing the good or service is getting something and they're looking each other in the eye

and the system works. Now, how you migrate back to that is very complicated and you have to do it in a way that the country understands it and will accept it. So in Medicaid I will be proposing that we implement the Tenth Amendment by block granting all Medicaid back to the states, letting the states figure out what to do with it and recognizing that Washington has failed and that we need the experiments of the governors and the state legislatures trying to solve health for the poor

RUSH: Okay, so you're signing on with the Ryan plan, essentially?

GINGRICH: Oh, yeah. I signed on for that part of the Ryan plan from day one. I've advocated consistently from day one, and, you know, I –

RUSH: What did you call to apologize to him for?

GINGRICH: I have talked to him for years; and my wife, Callista, has known him since he was an intern. We're big fans of Paul Ryan. But the second thing I would do, though, is I -- and this is the part of what probably got me in trouble so let me be very open about it. I believe we are better off as conservatives who believe in markets, to design choice for people so people can make the decision that this is better for them. And when I was chairing the Medicare taskforce in '96, we initially designed Medicare Advantage to be attractive to people, so they would voluntarily go to it. Well, 25% of all seniors have found have Medicare Advantage something they like. We began building in health savings accounts, 'cause we want people to decide they like controlling their own money. I would like to see Congressman Tom Price's bill, which allows private contracting on a voluntary basis. I mean, one of these we learned in 1996 with extensive focus groups is senior citizens love to be allowed to choose. They hate to be forced to choose, and so you want to say to them, "If you would like to have private contracting, if you would like to be allowed to spend your own money, if you're in a position where you'd like to do things your own way, why wouldn't we give you that freedom? We don't have the government require you to buy a government house after 65 or go in a government vacation or pick up a government car. So why not liberate Medicare to the point where seniors can choose?" and then the marketplace -- doctors, hospitals, pharmacies-- they've gotta organize competitively. So it's a more desirable future to accept the conservative personal choice option over the government bureaucrat-control option.

RUSH: Okay, now, I need to ask you because this is something you said on Sunday with Gregory that you didn't believe in "left wing or right-wing social engineering." What is that? Define social engineering for me.

GINGRICH: It's very straightforward. It's when the government comes in and tells you how to live your life and what you're gonna do, whether the values that lead it to do that are leftwing values or the values that lead it to do that are right-wing values. I believe in personal freedom. I believe in your right to lead your life. I believe that we are endowed by the Declaration of Independence, by Our Creator with the right to pursue happiness --and I want a government that is much more humble about its ability to tell you what to do, whether it's people on either side of the ideological spectrum. By the way, it was not a reference to Paul Ryan. There was no reference to Paul Ryan in that answer.

RUSH: Well, then what did you apologize to him about?

GINGRICH: Because it was interpreted in a way which was causing trouble, which he doesn't need or deserve, and was causing the House Republicans trouble. One of my closest friends -- somebody I truly, deeply respect -- e-mailed me and said, "You know, your answer hits every Republican who voted for the budget." Well, my answer wasn't about the budget. I promptly went back and said publicly, and continue to say: "I would have voted for the Ryan budget. I think it's a very important first step in the right

direction," and I have consistently said that from the time that Paul first briefed me on it weeks before he introduced it -- and I've been talking with Paul Ryan about budget matters for the last four years.

RUSH: Well, that's good because it's probably the most single unifying thing in the Republican Party today. The Republican Party has got an internecine war going on, and Ryan's budget proposal seems to be the one thing that all these differing factions agree on, so it's crucial. Newt, I've got precious little time left here, and I just want to take the time to thank you for making yourself available today. I appreciate your coming on and subjecting yourself to these withering questions.

GINGRICH: Listen, any time. Any time. I'm honored and I'm grateful to have the time to do it.

RUSH: All right, Newt Gingrich on the campaign trail in Iowa.

BREAK TRANSCRIPT