

Copyright 2005 Orange County Register
The Orange County Register (California)
February 24, 2005 Thursday

SECTION: NEWS

LENGTH: 1124 words

HEADLINE: THE MORNING READ;

No Mr. Popularity;

Tom Campbell cares more for principle than politics. Look where it's gotten him.

BYLINE: By JIM HINCH, The Orange County Register

BODY:

One hot October night, Kellie McElhaney and her husband had the future finance director of California over for dinner.

"Don't dress up," they told Tom Campbell, who at the time was dean of the UC Berkeley business school, where McElhaney is a professor. "(Our house) is a dog-hair haven and kids spilling things."

Campbell arrived in a suit. He declined a drink and asked for orange juice instead. When McElhaney returned with the glass, Campbell had disappeared. She wandered around the house looking for him.

He was in the nursery. "He had his jacket off," thrown on the crib, McElhaney said. "He's down on the floor with the kids, quacking with a stuffed duck on his head."

Tom Campbell isn't afraid to act foolish. He has spent most of his professional life in politics, but he doesn't act like a politician. He says what he thinks. He lives on principle. And he's paid a price for all of that.

Last November, Campbell was offered yet another chance to make a lasting mark on California. He was driving across the San Francisco Bay Bridge to meet with a business school donor, when former Secretary of State George Shultz called. Would Campbell like to come to Sacramento to clean up California's finances? Campbell pulled off the road to think.

While serving in Congress, Campbell once told Newt Gingrich to his face that he wouldn't support Gingrich's bid for House speaker because he had violated ethics rules. Soon after, Campbell lost a powerful committee assignment and later left Congress with little significant legislation to his name.

In 2000, he ran for Senate on a platform of replacing income taxes with a 20 percent sales tax and distributing drugs to addicts. He lost.

Would finance director be another plum-sounding political post that, in the end, changes nothing?

Campbell decided that, with Schwarzenegger, it might be different.

"It was the chance to fix (California's budget) system for keeps," he says. "A governor who could do it. A governor who has the strength, the popularity, the ability to reform it for keeps. That was what was attractive."

Many wonder why Schwarzenegger, after a first year of genial compromise, roared out of the gate in January with promises to turn the state's budget system on its head and sharply limit school-funding

guarantees.

The answer is Tom Campbell.

In the fall, before Schwarzenegger picked Campbell as finance director, no one in the administration was talking about across-the-board budget cuts or tinkering with Proposition 98, says John Cogan, a Schwarzenegger economic adviser.

Now that Schwarzenegger has embraced Campbell's ideas, he finds himself where Campbell has spent much of his political career: besieged by criticism for unpopular proposals. Educators have taken to the airwaves, accusing Schwarzenegger of breaking promises and shortchanging schools. The governor's approval ratings have dropped 10 points, to 55 percent, according to a recent Field Poll.

"If I cut off my advice to the governor because I make a calculation that it is politically too risky, then I'm not doing my job," Campbell says.

Cogan agrees: "I would say that it's a sad day when someone takes principled positions and they're accused of having a political tin ear."

Campbell has what even a former opponent called a "beautiful pedigree." Three degrees from the University of Chicago, including a doctorate in economics under Milton Friedman, who persuaded Campbell to break with his father's New Deal Democrat convictions. Harvard Law School. White House Fellow. Supreme Court clerk. Tenured professor at Stanford Law School. Ten years in Congress. Two years in the state Senate.

Schwarzenegger staffers call Campbell "The Genius." He is courtly, with a youthful, almost elfin face and carefully combed curly gray hair. He always wears a suit. He has been spotted gardening in slacks and a button-down shirt.

A self-described libertarian, Campbell believes in limiting government and lowering taxes. He also favors abortion rights, and once wrote of gay marriage: "I believe homosexual couples should have all the rights enjoyed by heterosexual couples."

In crowds, he remembers everyone's name. Ernie Konnyu, whom Campbell beat in his first congressional race, recalls running into Campbell some years later.

"He says, 'Please, Ernie, may I join you in saying hello to (your wife) Lillian.' He walks over to our table and he says hello to everyone at our table. The gentleman's gentleman. I got a kick out of it. He overdoes it to a point where it's a little bit too sweet. But it's sincere. That's him."

At a recent budget lecture to Republican Party conventioners in Sacramento, Campbell flung off his jacket, revealing suspenders and armpits soaked with sweat.

"I want you to use these numbers, please, in all of your opportunities to influence others," he pleaded. The crowd bent their heads and scribbled furiously.

Before the talk, Judy Symcox, a delegate standing in line outside, gripped Campbell's hand as he walked by.

"I want to hear you desperately," she said. Campbell peered at her nametag and invited her to meet later. Then he bustled away, toting an ancient, bruised leather briefcase.

"He has the answers," Symcox said. "And he's the hottest!"

The question now is whether this brand of soothing honesty can win over the rest of California.

When Campbell broke the news about school funding to educators in January, he left them sputtering, says Scott Plotkin, executive director of the California School Boards Association.

The educators asked Campbell if the governor was abandoning a budget deal he had cut with them the year before. "I do not disagree," Campbell told them. The educators got up, shook hands and told Campbell they would wage a media war to defeat the proposals.

Not long ago, Campbell gave an unlikely insight into his feelings about pursuing his vision in the face of such opposition. He was talking about his great love, B movies, which he so adores, he once wrote a paean to them in a congressional newspaper.

Staffers who come to Campbell's house for dinner know he will eventually herd them into the TV room, where he will pull out a video with great relish, stopping it at particularly atrocious scenes to comment and analyze.

His favorite is "Eegah" a 1962 film about a prehistoric caveman preserved by vapors in a cave outside Palm Springs who falls in love with a local beauty queen.

Why does he like them? Persistence against the odds, he replies, echoing his own legislative battles.

Take B-movie director Ed Wood. "Apparently at one point, (movie producer) Jack Warner says to him, 'This is the worst movie I've ever seen.' He says, 'Well, you'll know my next one's better!'"

(916) 449-6687 or jhinch@ocregister.com

the morning read

GRAPHIC: Man in the middle: State finance director Tom Campbell speaks to students from Estancia High School during an appearance last week before the Orange County Forum at the Sutton Place Hotel in Newport Beach.

LOAD-DATE: February 25, 2005