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Prop. 103 Author, Nader Disciple

Rosenfield: Hero to Some, Troublemaker to Others

By FREDERICK M. MUIR, *Times Staff Writer*

As the pudgy-faced young man came down the aisle at a recent state Senate hearing, a beaming Sen. Alan Robbins likened him to the late tax-crusader Howard Jarvis and called him a "folk hero."

Such high praise was lost on the crowd of insurance executives grimly braced for the criticism they knew this 36-year-old consumer activist would heap upon them.

Then, with tie pulled down, collar open and shirt sleeves rolled up, Harvey Rosenfield—author of Proposition 103 and founder of the Voter Revolt—took the witness chair and launched into one of his well-rehearsed tirades on the "out-law" insurance industry.

"The Wild West of pre-Proposition 103 days is gone for good," he said. "A new sheriff has arrived:

Proposition 103."

If the initiative voters approved Nov. 8 as a way to curb soaring insurance rates is the new sheriff, then Harvey Rosenfield is the top deputy.

True, the polls showed that without the backing of his mentor, Ralph Nader, Proposition 103 would probably have lost. But without Harvey Rosenfield, there would have been no initiative and no California campaign organization to push it. He is the one activists in other states are calling for advice on how to launch 103-style ballot initiatives of their own.

After 10 years of laboring in relative obscurity as a consumer activist in California and Washington, D.C., Rosenfield has suddenly

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ROSENFELD: Disciple of Nader Is Viewed as 'Folk Hero' by Some

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 become a frequent face on television, a name quoted liberally in newspapers and the object of public acclaim by powerful politicians.

Those who have worked with him and against him agree that Rosenfeld is a bulldog of a man who enjoys fighting the odds. He is a career activist who loves his work and says he has no ambitions outside of pursuing the consumer cause.

He has an unassuming appearance and can initially be underestimated by foes, who later find him relentless. Some say he is just a big teen-ager causing trouble.

Rosenfeld waged the Proposition 103 campaign with a characteristic, single-minded determination that even his critics acknowledge is limitless.

"He's a tenacious adversary," said Stan Zax, president of the Assn. of California Insurance Companies, who, though horrified at some of Rosenfeld's tactics, is respectful of his abilities. That tenacity is still evident as Rosenfeld's debt-ridden campaign is fighting to defend Proposition 103 against a legal challenge by the insurance industry.

"He has no political agenda, no hidden motive . . . and that's why he was successful," said Jay Angoff, legal counsel to the watchdog National Insurance Consumer Organization in Washington.

The biggest influence on Rosenfeld's career has been his guru, Nader, who says of his understudy: "There's only one Harvey."

Like Nader, Rosenfeld is considered an "absolutist."
 "He is always totally committed,

couldn't live with that. We said, 'Harvey, you need to show that you are willing to negotiate.'"

"That was the beginning of the end," said J. Gary Gwilliam, president of the California Trial Lawyers Assn. "He [Rosenfeld] made his decision unilaterally."

Indeed, Rosenfeld said in a recent interview, "You can't make some compromises when you are a consumer advocate."

So with a staff of two and no budget, Rosenfeld set out to qualify his own ballot initiative.

The headquarters of his Voter Revolt campaign is tucked away in an unheated warehouse, down an alley and around the corner from an X-rated movie house in downtown Santa Monica.

The concrete-floored offices are stuffed with tattered furniture. One prominent piece is an old car seat, its seat belts still intact.

On one recent morning at the headquarters, Rosenfeld was wearing his "lucky" red tie that he bought for \$1 and a white shirt that cost \$2 at a Salvation Army thrift store.

The struggling, low-budget, grass-roots image of the campaign was used effectively by proponents to separate their initiative from the four others that were eventually sponsored by insurers and lawyers.

Some critics scoffed at the trappings of poverty as a ploy to gain media and public sympathy, but Rosenfeld insists that his Populist image and that of his cause are real. "This is just me; this is it," Rosenfeld said the other morning.

"The public is looking for people to believe in. They don't trust people in three-piece suits. I don't

trust people in three-piece suits," he said.

"These clothes, these offices are a metaphor for—hell, they are—grass-roots democracy," Rosenfeld said.

Those are labels Rosenfeld wears easily. But he rejects others that are often applied to him.

Calls Himself a Populist

He objects, for instance, to being called a "liberal lawyer," preferring to call himself a Populist, a capitalist and even a conservative.

He also bristles at the notion that he is simply a nut or gadfly, despite the insurance industry's multimillion-dollar direct mail and television ad campaign designed to make him appear as a liberal, fringe weirdo.

Not that Rosenfeld hasn't done a few things to earn that reputation.

In one publicity stunt last year, he attempted to deliver a truckload of cow manure to State Farm Insurance Co.'s Los Angeles headquarters.

"This was a campaign run by regular people," Rosenfeld said. "And that's how regular people felt" about the insurance companies. "I'm not saying we didn't do it to grab attention. We did. So what? [In a campaign] you do what has an impact."

When Voter Revolt hosted a press conference to display petitions it gathered to secure a place on the November ballot, they were surrounded by armed campaign volunteers, for fear of possible insurance industry tampering.

The industry called the stunt "irresponsible." His own campaign consultant acknowledged that it

Angeles street gangs, too."
 Now, many months later, Rosenfeld said of his response to that confrontation, "Like I said, I'm not a politician."

But adversaries and allies alike say his success is in fact rooted in an ability to manipulate the media—a must for a low-budget campaign that could not afford advertising.

"Whatever plays, he'll say," said Tye, spokesman for the state's insurance lobby. "The facts behind the allegations are often not there." Tye cited examples such as the gun incident and claims about the industry's finances.

Rosenfeld responded that the insurers are just bitter that "they

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STEVE DYKES / Los Angeles Times

Harvey Rosenfeld

always totally incorruptible," said Angoff, who worked with Rosenfeld at Nader's Consumer Watch organization in the early 1980s.

It was Rosenfeld's unshakable commitment to reforming the insurance business in California that led to November's expensive battle of ballot measures.

The insurance industry, trial lawyers and consumer activists had attempted to negotiate a peace accord that would have prevented an all-out war of initiatives.

In those negotiations, "Harvey said he needed 95% of Prop. 103," recalled George Tye, a spokesman for the Assn. of California Insurance Companies. "We said we

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spent \$70 million to manipulate the media, and it didn't work."

Some looked at Rosenfeld's ability to marshal the media in a positive light. Harry Snyder of Consumer's Union said the manure stunt "was absolutely brilliant . . . I'm more boring. But then I didn't pass Proposition 103." Others, including some friends, paint Rosenfeld as a pragmatist who drafted Proposition 103 with certain campaign motives rather than strictly good policy concerns.

Rosenfeld openly attacked many established consumer activ-

ists, calling them dupes of the trial lawyers when they did not fully support Proposition 103.

Snyder said Rosenfeld, hoping to win financial backing from a powerful interest group, included new powers for banks to sell insurance in Proposition 103 without also including proper safeguards. Snyder also faulted the proposition's 20% rate rollback. "Why not 10% or 15% or 30%?" Snyder asked.

Bill Zimmerman, campaign consultant to Voter Revolt, agreed that the 20% rollback was basically a device to capture voter attention.

Rosenfeld denied these accusations. He said there are proper safeguards on the bankers, and although he attempted to raise money from them, he got none.

He said the 20% rollback reflects what insurance rates would be if they simply had increased in line with inflation and other economic measures.

In any event, Rosenfeld said the victory was due to hundreds of hard-working volunteers, thousands of small campaign contributions and the basic fact that Proposition 103 gave people what they wanted: real insurance reform.

field showed his other, non-public side.

"His couch is a haven for those traveling through," said Snyder of Consumer's Union.

"He's not a monastic aesthetic," Zimmerman said. "He likes a few drinks, a few laughs. . . . In many ways, he's a regular guy."

But friends say he has no desire to be anything but a consumer advocate.

"Most people his age sell out," former colleague Angoff said. "But Harvey has a desire to do what is right and not just make money."

Rosenfeld lives in a rent-controlled apartment in Santa Monica with his wife of six years, Georgia Bragg, an aspiring actress.

He earned just over \$20,000 in the past year. "Whenever things got tight, Harvey would go on half-pay . . . and that's half of nothing," said Zimmerman, who has yet to be paid for his year's worth of work.

"He was always there at 7 [a.m.] and he worked until . . . I don't know when because I always left first," Zimmerman said.

Rosenfeld pays \$2,800 a year to insure his two cars, and he says his driving record "would qualify me for a good-driver discount," under Proposition 103. Rosenfeld, like Nader, does not reveal the make of car he drives for fear, he said, of it being construed as an endorsement. . . .

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ment. He grew up in a middle-class Boston suburb with his accountant father and painter and poet mother. It was the Watergate scandal and traveling through Asian and Communist countries during a year off from school that he said persuaded him to embark on a career of consumer advocacy.

"I couldn't help being excited about living in a democracy," he said.

"Sound Corny"

Rosenfield acknowledges that some of his statements about democracy and justice "sound corny" but that he is nonetheless sincere.

Nader joked that Rosenfield makes impassioned statements like these because "he's listened to me for years." But then turning more serious, Nader added, "You become like that over the years. It comes down to fundamental principles."

Rosenfield first got involved with the consumer movement when he took a \$600 summer internship with Nader's organization in Washington while attending Georgetown University Law School.

Upon graduation in 1979, Rosenfield joined Nader's Congress Watch as a full-time lobbyist. In 1981 Nader asked him to go to California to organize several regional public-interest research groups into one statewide organization.

Rosenfield ran the California Public Interest Research Group until 1985 when in exhaustion, "I said, 'Ralph, I'm taking some time

off. I have a boogie board, a Frisbee. . . . I'm going to the beach."

Several months later, Nader came to California to ask Rosenfield to campaign against Proposition 51, the so-called deep-pockets initiative backed by the insurance industry that limits some damage claims on lawsuits.

"He said, 'Harvey, you have to do this. You have to do this for me,'" Rosenfield recalled.

And, as always, when Ralph calls, Harvey answers. "What can I say, I love him," Rosenfield said. Ultimately, Rosenfield and the

trial lawyers lost that initiative battle. But he kept pounding away at insurance reform.

Now Rosenfield is working to pay off a \$600,000 campaign debt while attempting to defend Proposition 103 against lawsuits brought by insurers. And there are rumors that he will run for state insurance commissioner in 1990 when Proposition 103 will make it an elective rather than appointive office.

But Rosenfield denies that he has political ambitions. "I don't want to compromise what I believe in," Rosenfield said. "And that's what politicians have to do."