CHAPTER 8
AMERICAN PROGRESSIVISM REORIENTED

The work of American progressivism today is to democratize the market economy and energize representative democracy. Progressives should build the link between economic reforms designed to challenge the stark divisions between vanguards and rearguards, and political reforms intended to quicken democratic politics in America.

The program we outline opposes dualism, the division of the economy into a rigid contrast of advanced and backward sectors, and proposes a deepening of democracy: strengthening the tools for the collective discussion and solution of collective problems. It is, therefore, a productivist program, rooting a bias toward more equality of income and wealth in a set of economic arrangements and a strategy of economic growth, rather than merely attempting, through retrospective and compensatory tax-and-transfer, to undo part of what the economy has wrought. It rejects the simple contrast between governmental activism and free enterprise, not because it wants to have a little of each, but because it insists upon having more of both. To this end, our program offers to renovate the institutional machinery for a decentralized and experimental partnership between government and business. It seeks to extend the rights of labor, increasing the wage take from national income. The point is to do so in ways that serve the interests of the working people of the country as a whole rather than benefit the relatively privileged and organized workers in capital- and technology-rich industries. It goes beyond the fight against racial discrimination to the redress of racial injustice while recognizing that the prob-

lems of racial injustice are inseparable from the problems of class injustice. Our program defends a refinancing of the government on a basis that reconciles a high tax yield—and therefore a more effective governmental ability to invest in people's capabilities—with the need to preserve, indeed to strengthen, incentives to work, save, and invest. It both exemplifies and encourages the master practice of democratic experimentalism: motivated, sustained, and cumulative tinkering with the institutional arrangements of the government and the economy. It relies on a more engaged and informed citizenry rather than on a more enlightened technocratic elite. And it maps out the steps that make possible the gradual emergence of a lasting transracial progressive majority in American politics as both the condition and the consequence of the democratizing changes it proposes. It is not the humanization of the inevitable; it is the alternative to an unnecessary and unacceptable fate. It is the American religion of possibility translated into a plan for the next step.

A key assumption of this proposal is that the focus of ideological controversy and institutional innovation throughout the world has shifted. The old conflict between market and command, progovernment and anti-

government, is dead or dying. The days of pitting state planning against laissez-faire policies are over. They are giving way to a new contest between the alternative institutional forms of representative democracies, market economies, and free civil societies. The institutional arrangements for political, economic, and social pluralism now established in the North Atlantic world will turn out to be a subset of a larger set of institutional and social possibilities. We must now look to a democratic civilization that embraces new ways of organizing and deepening political, economic, and social freedom.

Institutions house civilizations. Ideals live in practices. By pursuing divergent institutional pathways, according to their own needs and strivings, countries will reveal the vital role of national distinctions in a world of democracies: to develop the powers and possibilities of humanity in different directions. The United States—the most experimentalist of modern nations—has the most to gain, spiritually as well as practically, from this rebirth of its religion of human possibility on a global scale. The doctrine of the one true way flatters the country, and betrays it.

Here are some of the planks in a progressive platform faithful to these ambitions. They are meant to mark a path rather than to define a blueprint. Each of

their elements is controversial. Each element could be replaced by equivalent devices. Taken together, they nevertheless indicate a way to begin from where we are now. From this point close by, the path can lead, by small, incremental steps, into a society that is both more democratic and more innovative. In that society the grid of class, gender, and race weighs less heavily upon our life in common.

TAXES: FROM LIBERAL PIETIES TO REDISTRIBUTIVE REALITIES

The United States has the lowest aggregate tax take of any of the major industrial countries: the revenues of the federal government amount to 20 percent of GDP and the revenues of all three levels of American government to 36 percent GDP (as contrasted, for example, with 47 percent of GDP in France in a recent year). A considerable body of evidence shows that people in many countries support a high tax base tenaciously as long as its improved social, educational, and health benefits are palpable. To be sure, we must not kill the goose that lays the golden eggs, dampening incentives to work, save, and invest. One solution may be to reform taxation so that it falls on consumption rather than on income.

Progressives regularly oppose consumption taxes,

particularly when they apply to transactions (as in a sales tax) rather than to individuals. Such taxes are admittedly regressive because they hit the poor proportionately more than the rich. Business interests, for the same reason, favor them. The business interests and the progressives are both mistaken. The most important lesson of comparative tax experience of first-world nations is that redistribution takes place much more on the spending side of the budget than on its revenue-raising side. In other words, it matters less how fair the raising of revenue is than how much the government takes if it can use what it takes to help the people who most need help. The United States has on paper one of the most progressive tax systems in the industrialized world, and the greatest levels of social and economic inequality. Despairing of a political economy that would achieve real redistribution, American progressives today prefer to genuflect to progressive pieties than to achieve progressive results.

Broad-based taxation of consumption (as through the so-called comprehensive, flat-rate, value-added tax) can make it possible to increase revenues while easing the burden of taxation upon saving and investment. It is a money machine. In a second stage, once tax reform has secured the basis of a strong revenue flow, friendly to

economic growth, we can begin to give a larger role to two sets of redistributive taxes. One would be the direct taxation, on a steeply progressive scale, of what an individual spends on his own consumption with a basic level of spending left untaxed—like an income tax with an exemption for saving. The other would be taxes on the accumulation of wealth and on its transmission through family inheritance and family gifts.

American democracy should work toward the generalization of a principle of social inheritance. Everyone should be able to count on a minimum of resources. These resources are the tools of self-reliance, not an alternative to self-reliance. People should have a social-endowment account so that society can do for everyone a little bit of what family inheritance does for a few. At major moments in their lives—when they go to college, make a down payment on a house, or open a business—they should be able to draw on this account. The minimum account should increase according to two countervailing principles: compensation for special need or handicap according to predefined criteria, and reward for special capacity, competitively demonstrated.

PENSIONS, SAVING, AND INVESTMENT: THE RESOURCES FOR GROWTH

Capital is now supposed to be globalized. It is not: The truth is that only a small portion of investment funds crosses national frontiers, and in doing so sometimes makes a big ruckus. The architects of the new, neoliberal world economy are building, in the name of economic freedom, an order that allows capital to roam all over the globe, and imprisons labor in the nation-state. Most capital nevertheless stays at home.

For a long time, the United States has fallen into the habit of depending upon other people's money: foreigners put their money in the United States, buy the public debt of the American government, and even hold—abroad—most of the paper currency. Like many pieces of undeserved good fortune, this one has its dark side. It helps keep the United States from facing the full consequences, or recognizing the full dimensions, of its low saving level. Gross domestic saving in the United States is 15 percent of GDP, well below what it is in many other rich economies. Dependence upon foreign saving limits the freedom of maneuver in American economic policy and makes economic growth in America hostage to events in other parts of the world.

The need to raise the level of saving in order to ensure sustained economic progress is an opportunity as well as a problem. For it can help push the country in a direction in which it has other reasons to travel. It provides a context in which to reconcile faster economic growth with a more equal distribution of national wealth.

A shift to consumption-based taxation may help raise the saving level by exempting saving from taxation as well as by helping the federal government avoid future deficits. However, the greatest, because most direct, boost to saving is likely to come from a system for the public organization of compulsory private saving. The most important setting in which to introduce such a system is Social Security and private-pension reform. The United States hardly needs the astronomical saving rate (51 percent) that tiny Singapore has achieved under an unnecessarily bureaucratic and centralized version of such a system of required private saving. All it needs is to do better, socially as well as economically, than it has.

The law would require everyone to save in special pension funds a certain percentage of their incomes, defined on a progressive scale according to income levels. Middle-level income earners would keep what they get.

High earners would have some of what they save redistributed away from them into the accounts of low earners. Low earners, demonstrating either that they work or that they suffer from a problem that prevents them from working, would have money distributed into their accounts (simply an extension of the principal of the earned-income tax credit, which long enjoyed bipartisan support).

The money would be paid into a broad range of independently managed and competitive funds—not just conventional mutual funds, investing in the established equity and bond markets, but mixed public-private venture-capital funds, investing in new business. Many of these venture-capital funds would be chartered to invest in a diversified mix of start-up firms, and some would get matching or contributory funds, or credit enhancements, from government to invest in the small and medium-sized businesses of the economic rearguard. Once fully developed, such a system would replace both social security and private pensions.

Is this proposal a pay-as-you-go redistributive pension scheme like Social Security? Or a get-what-you-saved saving scheme like private pensions? It combines the market orientation of the latter with the equalizing

commitments of the former. Is it a marginal improvement to the existing conduit between saving and productive investment offered by banks and stock markets? Or is it the beginning of an attempt to build, alongside banks and stock markets, an additional bridge between saving and productive investment? We cannot tell beforehand, and it hardly matters.

In the United States, as in other industrial economies, an average of 80 percent of investment in production by businesses of all sizes comes from "retained earnings," what companies save from profits. Most of what individuals save disappears into a financial casino, a money-filled black hole with haphazard, uneven relevance to the funding of production and innovation. Venture capital—the financing of new enterprise by outside investors—remains a tiny sideshow to the operations of this casino. In the spirit of democratic experimentalism, we should try to find a way to tap more of the productive potential of saving by innovating in the economic arrangements that make saving available to enterprise. We should do so in ways that help anchor, in the core institutions of the economy, a bias toward greater equality of access and greater freedom of initiative.

CHILDREN AND EDUCATION: THE FUTURE FIRST

The top priority of social legislation in the United States today, and the greatest justification for a high tax take, should be child protection. The law must ensure food, medical, and dental support through families or neighborhoods to every child who needs them.

Thirty-eight percent of poor people in the United States are children. The contrast between the relative generosity for the old—through Social Security and Medicare—and the cruel and stupid abandonment of the young is one of the great injustices of American life. Frustration with the results of programs like Aid to Families with Dependent Children has now prompted Democrats to join with Republicans in broadening what was already a tremendous gap.

Experience throughout the world has taught us that such support is more effective when families and community groups share in the formulation as well as the implementation of programs, turning public-resource transfers into devices of social solidarity and triggers for social organization. A parent movement that enables the nurturers of our society to come through for their children is a good start. The partnership of a weakened family with a welfare bureaucracy falls short. It must be backed up, and transformed, by the action of neighbor-

hood associations and family networks. Cooperative, supervised preschooling and after-school care can form part of their job.

Social supports for children can serve as the front line in the development of social rights for everyone. For example, the sensible and characteristically American way to introduce universal, publicly backed health insurance would be to begin by guaranteeing health insurance to all children. In the setting of child support, we could try out different mixes of public funding and private payment, of public oversight and private management. The successful models in universal health insurance for children could then be extended, by incremental steps, to the adult population.

The child crisis converges with the failure of the American public school system to accomplish a central part of the mission of schools in a democracy: to rescue the child from the limitations of its class and family situation, giving it access to a world of longer memory, broader imagination, and stronger ambition. The professional and business class avoids this failure either by living in upscale neighborhoods, with better than average public schools, or by sending their children to private schools. The majority of public schools become both a source and a mirror of social apartheid in America. This

crisis is not the inevitable price of political and economic freedom; it is simply the result of bad arrangements, bad ideas, and bad politics.

With the strengthening of a national focus upon the future, and therefore upon children, we can address anew the reform of public education. Three principles should guide our efforts.

The first principle is that, in a democracy, the child must be available to the school; it is not enough for the school to be available to the child. To exercise effectively the right to a public education, children need ample support, if necessary, from the government, and, if possible, in their families.

The second principle is that everyone should master a core set of generic conceptual and practical skills, getting ready for a life of instability, learning, and innovation. Specialized study and vocational training should supplement rather than replace education in these basic, multipurpose skills. What begins in childhood should extend throughout life in the form of continuing adult education.

The third principle is that, if democracy is to triumph, localism in education should be contained. Schools should be able to rely upon state and national as well as local finance so that they do not reproduce the

economic advantages and disadvantages of their communities. Nor should their curricula passively reflect community attitudes. If parent participation is important, so is the role of the school as a counterweight to the limitations of local opinion and family circumstance.

The school in a democracy should take no part in delivering to the child the ancient message of the family or the local community: Become like me. It has a bigger job: to equip the child with the means to think and to stand on his or her own feet, bringing the ideas and experiences of far away or long ago to bear upon the understanding and the criticism of the here and now. The school should examine possibilities of imagination and of life that the surrounding society is unable or unwilling to countenance. It should be the voice of the future—of alternative futures—within the present, and it should recognize in the child, the future worker and citizen, a little prophet.

Thus, we need to prevent any one level of government, and any one form of connection among school, community, and family, from having the definitive say over what goes on in the classroom. A system of multiple accountability, multiple guidance, and multiple funding—from federal, state, and municipal levels of government—will help liberate the public schools from

exclusive dependence upon local control and give them the economic and cultural resources with which to form free people.

RACIAL DISCRIMINATION AND CLASS INJUSTICE: HOW NOT TO FORGET ABOUT ONE WHILE DEALING WITH THE OTHER

Racial antagonisms hurt American democracy twice: first by the evils of racial discrimination and segregation; and, second, by the obstacles they create to the redress of class injustice. Working Americans remain divided by race, struggling under the injustices of racial oppression and resentful of what often seem to be the unjust effects of policies designed to right racial wrongs. These divisions have helped keep them from uniting around leaders, organizations, policies, and programs committed to loosen the constraints that class status imposes on the life chances of individuals. The present body of antidiscrimination law and policy—including affirmative action—has become both part of the solution and part of the problem.

The flaw in the conventional approach to racial discrimination and affirmative action today is that it sits uncomfortably between two missions, accomplishing neither fully and making the execution of the one seem

a hindrance to the achievement of the other. One goal is the struggle against racial discrimination; the other is the improvement of the circumstances of a racially marked underclass.

The legal and political triumphs of the civil rights movement, in and outside government, have succeeded in diminishing the force of racial discrimination throughout American life. It would be perverse to belittle this achievement. Nevertheless, the antidiscrimination law we now have may be too little to combat the hardened, substantial forms of racial prejudice that remain. In some areas—affirmative action first among them—established law and practice go beyond antidiscrimination to some element of active preferment in jobs and education in favor of blacks and other groups that continue to suffer from racial oppression. However, law and practice move toward this goal without either reaching or acknowledging it; the majority of the country and its jurists reject a policy of race-based compensatory privileges. In the meantime, however, this confused, halfhearted policy produces some benefits—captured disproportionately by the elites of the favored groups (the black professional and business class, for example)—and countless resentments—felt by the white losers, real or imagined. These resentments

help prevent the development of the transracial progressive majority we need.

The solution is to cut boldly through this tangle of inhibiting confusions, clearly distinguishing antidiscrimination from the larger effort to redress the difficult mixture of racial and class injustice—and devising means suited to each of these two objectives.

Progressives should confront racial discrimination as a distinct evil. They should persuade Americans to follow the example of some other countries, criminalizing its most serious instances. At the same time we should insist upon creating many more situations in American life where people of different races work, study, and live together, discovering in their human individualities likenesses and differences that cut across racial divisions. Now that there is disappointment with the cause of racial desegregation, the case for pressing it as a tonic to American democracy has never been stronger.

The suffering of a black and Latino underclass that combines racial stigma with class subjugation presents a different problem, requiring different solutions. We do need a policy of active preferment in education and jobs in favor of those caught in entrenched situations of social disadvantage and exclusion from which they cannot

escape, readily or at all, by their own initiative. However, we should not base this preferment solely on race, for race is typically just one element, although often a major one, of the social disablement we seek to repair.

The law should develop standards to give a special push in schooling and employment—and therefore also in admissions and hirings—to those who suffer from an accumulation of forms of disadvantage from which they cannot be expected to escape on their own. Prominent among these sources of subjugation are class, race, gender, and handicap. We know for a fact that it is the convergence of some of these factors in the life situation of an individual that may prevent him or her from seizing upon the opportunities of American society. Placed in this context, the offer of preferment loses its invidious, narrowly racial character. We can defend it, as a matter of the law and the Constitution (although it would surely require a change of present constitutional understandings), because it helps make feasible the demand for individual self-reliance. It helps keep the promise of equal opportunity for all.

Such an effort is useful and even necessary. It is, however, no substitute for the broader attempt to democratize the market economy in America, narrowing the gap between vanguard and rearguard. We must take

it for what it is: a subsidiary tool of social policy but a major vindication of justice for the individual.

ECONOMIC VANGUARDISM OUTSIDE THE VANGUARD: NARROWING THE GAP BETWEEN THE ADVANCED AND BACKWARD SECTORS OF THE ECONOMY

The most important issue of political economy today in the United States, as throughout the world, is not deficits, taxes, saving, or even, in the conventional sense, jobs. It is the social form that will be taken by a way of working together and producing goods and services that is beginning to reconstruct economies all over the globe. A method of collaboration rather than a technology of production lies at the heart of this advanced economy, although technologies of information and communication have helped equip it. It is a method of flattened hierarchies and permanent innovation, of fluid job definitions and constant reshaping of products, services, and practices. It combines teamwork with competition. It is production as learning. It can be carried out by decentralized big businesses, or by cooperative-competitive networks of small and medium-sized businesses. It thrives under particular conditions: a background of community life and good government, especially good

local government—able to ensure high-quality basic education, opportunities for continuous reskilling, dense networks of association, and the high trust such networks breed—as well as first-rate transport and communication facilities. It is not just for making computers and software or for supplying highly paid professional services; it is for doing anything. Flexible, high-technology, and knowledge-rich production is here to stay.

Where such conditions are largely present, national government can take a back seat. Without intervention, economic vanguardism flourishes in an isolated, advantaged part of the economy. That is the situation we see emerging in America as elsewhere: a world of advanced sectors and regions connected with one another and weakly linked to the backward sectors and regions of their own societies.

The reordering of production as learning will happen one way or another. The crucial issue is whether it will happen in forms that are more or less socially inclusive. The work of progressives must be to steer it in an inclusive direction. To that end, we need to fashion the instruments for decentralized, participatory, and experimentalist styles of partnership between government and business. To push economic vanguardism beyond

the social and geographic frontiers of the conventional vanguards, we need national and local governments able to help create the missing conditions and to help form the missing agents.

We should reject the false choice between the idea of arms'-length government (embraced by free-market orthodoxy) and the contrasting practice (exemplified by some of the northeast Asian "tiger economies") of a centralized economic bureaucracy, formulating industrial and trade strategy, subsidizing credit, and rewarding promise or success with favor. Instead, we should develop a broad-based and market-friendly effort to lift up the rearguard.

Such an effort would have four elements. The first element is the focus on child protection and educational renewal, and the use of child-centered support programs to encourage the development of community groups. Without an organized local society, able to take care of its children, vanguardism outside the vanguard has no chance. A second element is the creation of technical support centers, reskilling services, and small-business incubators to assist private initative outside the advanced sectors of the economy. A major responsibility of such centers would be to help identify and propagate successful work and business practices as they

emerged. A third element is the organization of associations among firms. The associated businesses would pool financial, commercial, and technical resources in some areas while competing with one another in others. A fourth element is the broadening of access to finance and technology, through the establishment of independently administered venture-capital funds, chartered to invest in the rearguard and to conserve and grow the resources with which they would be endowed. Experience suggests that, with accountable but independent management and properly diversified investment portfolios, such funds can achieve high rates of return on their endowments.

Different kinds of property relations between the funds and their client firms would develop over time. Some funds would keep a distance from their clients, auctioning capital off to a diversified group of entrepreneurs with the best prospects of making good on the investment, and taking equity stakes in the firms they helped start, as any venture capitalist would. Other funds would nurture close and lasting relations with a group of similar small businesses, becoming the financial and technical brain and arm of a little confederation of firms. Property would be divided up in different ways between funds and firms, and different regimes of private and so-

cial property and decentralized initiative would begin to coexist experimentally within the economy.

The outcome of such experiments is not the suppression of the market; it is the democratizing and diversification of the market. It is the road to closing the gap between vanguard and rearguard. It is the refusal to let the global reshaping of production continue on an exclusive and divisive course.

AN ORGANIZED SOCIETY AND AN EMPOWERED LABOR FORCE: THE TOOLS AND RESOURCES OF ASSOCIATION

A disorganized society cannot generate conceptions of its alternative futures or act upon them. Organization is power, a power essential to a vigorous democracy. Disorganization is surrender to drift, to accident, to fate. America has always been famous for its wealth of voluntary associations. Today, however, Americans are more disassociated than ever before: living alone, often without friends, and less engaged in unions, clubs, fraternal orders, and even local government or parent-teacher associations. Only in church, synagogue, and mosque attendance do the numbers seem to hold up, faith in God having outlived, for many Americans, hope in society.

It is not enough to call for a rebirth of the spirit of voluntary association, for although we may call the spirit, it may not come. Instead, we need to reexamine and reconstruct the institutional setting in which association thrives. Reforms in labor law, local government law, and federal tax law can help renew the force and democratize the scope of associational activity in America.

Such reforms can also diminish the force of a striking and troubling feature of associational life in all contemporary industrial democracies. The associations with a message for society at large—clubs and churches as well as political parties—remain detached from the everyday world of work and production. Practical associations involved in this everyday world—firms and unions—lack such a message; their job is to make money and defend the interests of their members. If the established rules of contract and corporate law that people use to create and maintain practical associations are indeed like a language, capable of expressing any thought, then the problem is that those who speak this language may have little to say, while those who have something to say are unable to speak it.

Society should be independently organized outside the government: a simple idea with complicated and controversial implications. One major site of organiza-

tion is work. Labor laws need to be strengthened, not to deepen divisions between a minority of relatively privileged workers in traditional industry and everyone else, but to facilitate unionization everywhere. As temporary work increases in many sectors of the economy, we need to reform the labor laws to encourage the unionization of temporary workers and to ensure the blend of legal regulation of the employment relation and collective bargaining with the employer that is appropriate to their circumstances. More generally, we have to create a structure in which union representation of workers and collaborative profit sharing with workers come to be seen as complementary rather than incompatible approaches. Otherwise, we shall have allowed a contest between co-operation at work and association among workers to develop at the heart of industry, threatening the project of greater economic democracy in America.

An emphasis on early and continuing education and reskilling rather than on job tenure, the development of varied forms of worker protection suited to the circumstances of a segmented labor force, and a commitment to generalize the principle of worker participation in company profits can combine to reverse one of the most antidemocratic trends in recent American life: the decrease of the wage take from national income.

Moreover, this trend can be reversed without threatening the high employment levels the United States has happily achieved. The ability to raise the real value of wages, without threatening jobs and economic growth or risking inflation, will be futher strengthened if we succeed in replacing all payroll taxes by the consumption-oriented taxation we advocate.

What we must resist at any cost is the entrenchment of stark divisions between insiders—relatively privileged, organized workers with jobs in the capital- and knowledge-rich sectors of the economy—and outsiders—workers with unstable, dead-end jobs in the capital- and knowledge-poor sectors. It is a division that has helped bring European social democracy to grief.

Traditional social democrats often fight for something close to job tenure for workers with the good jobs and promote, under the slogan of stakeholding, a mini-constitutionalism of the firm: consumer groups and local communities as well as workers would have a say or even a veto over management decisions. It is a formula that sets up a tension between defending workers' rights and promoting economic flexibility and innovation. Moreover, it is predicated on a division between insiders and outsiders and can help reinforce it. Instead of enshrining job tenure, we want to enhance the capabilities

of workers through devices such as government-supported continuous reskilling and social-endowment accounts. Instead of a rigid scheme of checks and balances in corporate governance, we propose radically to decentralize and democratize access to productive resources and opportunities through means such as the public-private venture-capital funds and technical support centers we earlier described.

If work is one site of voluntary association, community life is another. We could, for example, create legal mechanisms for the selection of community councils or neighborhood associations outside the structure of local government. Such councils could be elected on a neighborhood basis to engage individual citizens as well as community groups in the solution of the social—not the physical or financial—problems of the neighborhood: for example, working with the police to set up community policing, identifying children in trouble and referring them or their families to the right sources of public or private assistance, and intervening with hospitals, insurers, and bureaucracies when the old and the sick need help. This work would be neither continuous nor paid. It would be a form of social leadership, somewhere in between private charity and public office. Those who performed it would have, as a matter of law,

only advisory power but, as a matter of practical effect, as much influence as their organizing efforts allowed them to exert.

Private philanthropy has been a powerful engine of voluntary action in the United States. It survives, however, on a tax favor. Thus, its consequence is to magnify the voice of the rich, allowing them to ride their social and cultural hobbyhorses. Thanks to the tax laws, their poorer fellow citizens co-sign these gifts whether they want to or not and whether they know it or not. Why not democratize the tax favor? For every tax-deducted dollar that the donor were allowed to use as he wished, a certain portion of the donor's dollars would have to go into a common fund, with the percentage calculated to preserve the force of the tax incentive. That fund, with decentralized governance and independent trustees drawn from every walk of American life, would finance social groups who applied to it for help—through, for example, matching funds or matching commitments of free labor time—to carry out their own charitable activities. The disincentive to private contributions would be limited; the impact upon the resource base of voluntary action in America, immense.

POLITICS, MONEY, AND MEDIA: QUICKENING THE TEMPO OF DEMOCRACY

For better and worse, Americans revere their Constitution. They early rejected Thomas Jefferson's advice to replace the Constitution completely every few generations. As a result, they hesitate to fiddle with the set-up of the government, and they often prefer to revise (or rather to let Supreme Court justices revise) their Constitution by reinterpreting it rather than by changing it outright.

There are many constitutional reforms that would be worth discussing if the American antipathy to constitutional redesign were less severe. Consider one such example. Admittedly outside the agenda of feasible contemporary concerns, it nevertheless suggests both the price of constitutional conservatism and the possible direction of political reform. Morever, it clarifies the vision underlying the here-and-now political innovations we do propose further ahead.

Madison's scheme for the Constitution combined two principles: an insistence upon the dispersal of political power and a plan to slow politics down, by establishing a rough correspondence between the transformative reach of a political project and the severity of the constitutional obstacles it has to overcome in the course

of its execution. Both principles combine in the system of "checks and balances" among branches of government: Franklin Roosevelt, for example, had to wage a tremendous struggle until he got the Supreme Court as well as the Congress on his side, and he had an economic and social disaster working for him.

These two principles—the fragmentation of political power and the slowing down of political change—could, however, be disconnected, in the interests of a deepened democracy. We might want to keep the first principle and rid ourselves of the second. For example, think of the following way to combine characteristics of the presidential and parliamentary systems of government. If the president and the Congress disagree about a program of reform for the country, either of the two elected branches of government can call early elections, but then both branches have to run. The idea is to resolve the impasse quickly, through the prompt engagement of the electorate in its resolution, rather than to perpetuate it in divided government until the next regular election.

To follow the logic of the remedy, we might make voting mandatory, as it is in many contemporary democracies, with the penalty of a fine for the violation of the duty. Failure to vote would, therefore, be sanctioned

less severely than, for example, refusal to do jury duty. The obligation to come to the polling station, however, is intended to achieve a good that is at least as great as serving on juries: to prevent the government from being elected by a minority, given that over half the adult citizenry now fails to vote in the United States. That a citizen should have to turn his mind for a few moments, every now and then, to the affairs of the Republic—with the privilege of abstaining in the voting booth—seems a tiny measure of intrusion to accept in exchange for a huge advance in civic engagement. Comparative experience suggests that, once the law directs people to vote, they get into the habit. In no democracy that has adopted such a rule has there ever been a majority in favor of its revocation.

The combined effect of these changes would be to quicken the tempo and raise the energy level of American democracy, while maintaining or even strengthening the fundamental mechanism for making governmental power decentralized and accountable. It will not happen, at least not anytime soon, but it points in a direction. We offer four connected proposals to move American democracy in this direction.

First, establish public financing of political cam-

paigns. Public financing is more effective than the attempt to tighten the policing of private money, especially when combined with our next suggestion, extended free access to television time. It is a minor expense, with vast equalizing and limit-breaking potential for American politics. The best criterion for the distribution of such public funding is a standard intermediate between the present representation of the political parties at the level of goverment—federal, state, or local—at which they are running and a standard of arithmetical equality—the same for all.

Second, give the political parties and their candidates ample free time on television. Fight in the legislatures and the courts to get this time freely given by the networks and channels, as a condition of their license rather than as a service to be paid by the taxpayers. Americans need a public space in which to discuss their shared problems, and television has become the space that matters most. In Brazil, for example, fifty minutes a day of television and radio on all channels are blocked out for the parties and candidates forty-five days before an election. The primitive technology and the indifferent content of many of the political talks have not prevented the campaign programs from maintaining a substantial audience. The voters learn, and so do the

politicians. The perversity of the sound bite is reversed when candidates for major national office are required to spend many hours on the air; in the surprisingly intimate medium of television, it is hard to disguise yourself for long.

Third, lower the legal, constitutional, and ideological barriers to experimental, localized, and temporary reversals and combinations of governmental and private responsibilities. If, for example, municipal sanitation services can be contracted out to private business, research and development can also be conducted by joint ventures of governmental agencies, nonprofit organizations such as universities, and private businesses. Venture capital—investment in start-up firms—can be arranged by decentralized funds and support centers, with independent management, a mixed public-private character, and special responsibility for the development of the economic rearguard.

Many such reversals and combinations of function should be tried out locally and temporarily. Different trial solutions to the same problems should be allowed to coexist. How else can we find out what works? Much more is at stake here than efficiency of public administration. The point is to tap the repressed potential for decentralized partnership among individuals, govern-

ment, and business, rejecting the model of arms'-length regulation as the only acceptable way in which government can relate to society. One project will lead to another. Small successes will give impulse to larger ambitions. American federalism—far from being a pretext to stop social experiments in the name of "states' rights"—will turn out to be a special case of the larger idea of "many laboratories."

Fourth, change the attitudes and the practices about party politics so that the political parties—the two big parties as well as emerging third parties—can become the authors and agents of real alternatives. We need not choose between the political party as the disciplined instrument of a purist ideology and the political party as a syndicate of professional office-seekers catering to an amorphous assortment of special interests. Americans are unlikely ever to adopt proportional representation—the electoral system that distributes legislative seats in proportion to votes for parties. They are even less likely to embrace the closed-list version of such systems—where the voter votes only for a party and the parties determine the priority of the candidates on its slate. However, the present scheme of election primaries in the United States makes sense only if Americans have given up on political parties and the coherent options

that it would be the task of the parties to forge and implement. Adopted in the name of grassroots democracy, this scheme robs the parties of any prospect of strong internal organization and programmatic definition.

Who knows the name of the chairman of either major political party in the United States? He or she is invariably a creature of the president in office or a caretaker until the next presidential candidate shows up, and, in either event, a hapless hustler for money. Members of Congress are routinely reelected, although the electorate professes disgust with the political class, because the public expects from them little more than service to local interests and conformity to certain minimum ideological tests in their voting behavior. The result is that, although Americans are able to discuss, for example, an isolated issue like whether to allow physicians to help the terminally ill commit suicide, they lack the political instruments with which to define, collectively, different roads for their country to take. Should such a demarcation of national possibilities be just the work of a clever politician, sensing a change in national mood and grasping at the latest fashions from the universities? Or should it result from a more inclusive and sustained conversation in the country?

The political parties should assert greater authority

over slates, candidates, candidate selection, and party platforms. At the same time, however, they should open themselves up to internal democracy, organizing national elections among their members to choose their leaders and directions. The shift from an emphasis upon candidate-by-candidate choice through primaries to an emphasis upon party democracy and party leadership would trigger the organization of movements and factions within each party to contest such party elections. The defeated groups would clamor for minority representation in the party councils or establish third parties. The temperature of American politics would rise, and its repertory of programmatic alternatives broaden.

In this great country every privilege is suspect, and ordinary men and women are known to be not so ordinary after all. Tinkering is both a habit and a creed, and experimentalism joins hands with democracy. An America triumphant in the world nevertheless seems unable to solve its own problems. Class injustice, racial hatred, and rationalized selfishness thrive today in a climate of disillusionment and feed on an experience of disengagement and disconnection. In this circumstance, the work of the progressives is to speak, within and outside the Democratic party, for a clear alternative.

Not for some impossible, romantic dream of a different "system." Not for the last-ditch defense of every part of the New Deal compromise in American politics. Not for the Republican agenda—or the doctrine of the one true way—with a human face. Not for the humanization of the inevitable. But for a practical view of how, step by step, and piece by piece, to democratize the American economy and reenergize American democracy.

To understand your country you must love it. To love it you must, in a sense, accept it. To accept it as it is, however, is to betray it. To accept your country without betraying it, you must love it for that in it which shows what it might become. America—this monument to the genius of ordinary men and women, this place where hope becomes capacity, this long, halting turn of the no into the yes—needs citizens who love it enough to reimagine and remake it.