

After liberalism

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Last November and everything that has come since should be a wake-up call for those committed to democracy in

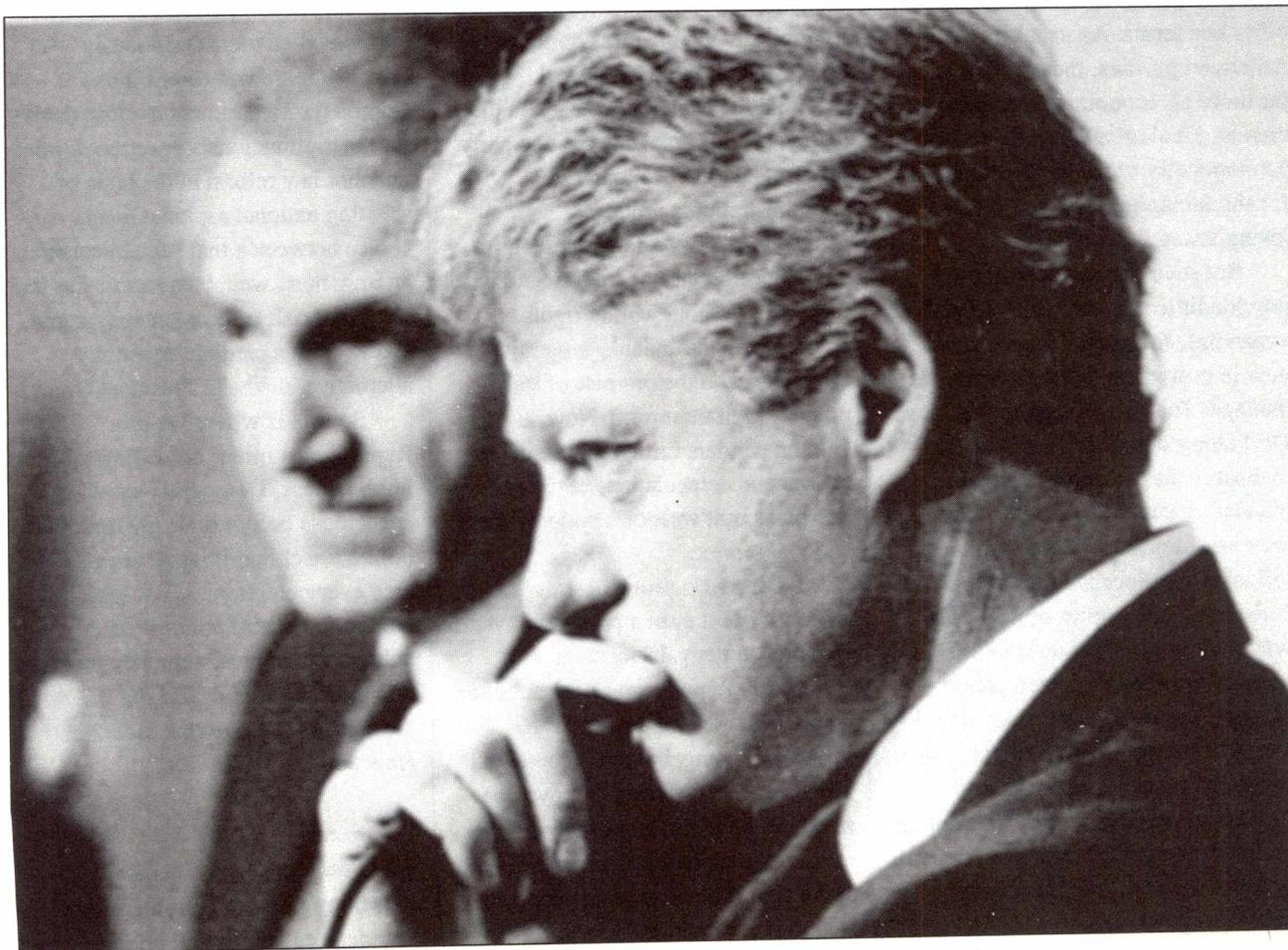
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America—a call to find a political strategy different from conventional Democratic liberalism. Contract politics and Republican cyberpunks do not announce a general collapse of progressive values in this country. They may not even inaugurate a long period of Republican political dominance. But they are very bad news, potentially lasting in their

effects, and unanswerable by a Democratic Party now lacking a coherent program or social base. Democratic renewal requires a different sort of politics—combining radical democratic reform with efforts at popularly-led economic reconstruction—and new organizations to carry those politics forward.



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are widely recognized and deeply felt. Opinion surveys and election results show massive economic anxiety, profound distrust of business, and sky-high rates of alienation and disgust with government. There is mass discontent with politics as usual and evident hunger for an alternative—some way this economy and society might be newly run for the general benefit. Why don't the Democrats provide it? If they are getting hammered by middle-class anger at a government that doesn't deliver the goods, why not deliver them?

One popular answer looks to Bill Clinton. Having devoted so much of his life to being first in the class, and pleasing his many friends, companions and political supporters along the way, Clinton is now incapable of making the hard decisions needed to confront the Republicans and move the country forward. A more serious answer traces the Democrats' failure to their allegiance to a liberalism of racial preferences that is condemned by once-Democratic white men. A third argument points to contradictory demands on the Democrats as the party of government: they need to expand government's role to deliver benefits to the middle class, but certain needed supporters—consider the Perotistas—reject any such government expansion.

The problem with all these explanations is that they take too narrow a view of Democratic difficulties. New Deal-style social-democratic politics are in trouble everywhere. No party anywhere is winning elections on the old promises—to beat back the market with an affirmative state committed to full employment, a fair distribution of income, and an efficient provision of essential public goods—because the

world in which such promises were credible has largely disappeared. To understand and find a way out of the present disasters of Democratic politics, we need to take measure of that change.

In the old world, the responsibilities of government were understood as principally economic, and the economy operated on Keynesian premises. Aided by unions and other private multipliers of its effort, government policy sought (within limits) to stabilize mass demand, which gave firms markets for sales and thus reason to invest, which increased productivity and lowered the costs of mass consumption goods bought by ever better-paid workers. The damage such consumption-led productivity and income growth did to the environment was not a major issue. Policy inattention to the costs of "social" reproduction—keeping a culture, raising kids—was excused by stable communities and traditional families in which women did most of that work.

More particularly, the politics of the old world relied on:

- A nation-state capable of managing the economic environment within its territory— a national economy sufficiently insulated from foreign

organization throughout the economy. The organization of production within them also tended to underscore some modicum of class solidarity. Working on the assembly line, it wasn't too hard to figure out which side you were on.

- The dominance of *class concerns* in the politics of equality. This dominance depended on a more or less determinate working class (obviously more in Europe than here, but still), whose organizational strength and superiority dwarfed other secular, non-business organizations and concerns. And again it reflected the largely unquestioned acceptance of the division of labor inside the household and an economy organized around steadily increasing consumption and energy use. In the United States, it presumed as well what European social democrats liked to call the "American dilemma"—a simple denial of the effects on equal opportunity of 400 years of racial exclusion.

Today by contrast, the political economy of the United States and other advanced industrial societies is marked by:

“The election was far more an economic referendum than an ideological one”

competitors that the benefits of demand stimulus could be reliably captured by firms within its borders, and a monetary policy apparatus sufficiently insulated from world-wide financial flows to permit unilateral, easy-money correctives to recession.

- The organization of the economic core into a system of *mass production* dominated by large, lead, stable firms. The size and stability of these firms made them ready targets for worker organization as well as levers to extend the benefits of

- More sharply delineated *limits on the capacity of the state to promote the general welfare*. These limits result in part from internationalization—which means that foreign competitors can beat domestic firms to expanding domestic markets, and firms are better able to exit unfavorable tax or regulatory regimes. In larger part they stem from changing demands on the state, which underscore limits on the state's institutional competence. While governments are “all thumbs and no fingers,” fingers are now what is commonly in demand—in economic policy, to address the fine issues of labor market transitions and firm modernization; in social policy, to

pick up where destroyed communities and job-holding women leave off; in economic and social regulation, where common standards need to be applied in diverse contexts or developed through negotiation among affected actors; in political deliberation itself, where money and sound-bites have so fully replaced people and argument that “discussion” seems a waste.

- The collapse of traditional mass production, and with that collapse, the *unmaking of the (male) working class as the privileged agent of equality*. While increased competition among firms has occasioned many strategies of response—from simple sweating of labor to lean production to high-skill

strategies geared to product distinctiveness—all disrupt the commonalities of experience that provided the foundation of traditional industrial unionism. Firms are more decentralized and varied in the terms and conditions of work they offer, career paths and rewards are more jumbled, and the heterogeneity of skills provides a further source of division. The fracturing of the male working class coincided with its changing sexual composition, as women joined men in wage slavery. In addition to complicating the tasks of working class organization, their entry presses into sharp relief the costs of social reproduction—once confidently assigned to



democratic practices and organizations required to give that alternative a fighting chance. This double move would be the signature of a new democratic politics —paving the road as we move along it.

toward more services, usually not in trade at all. And even within internationalized relations of competition with profit-taking constraints, alternative strategies with very different social consequences are

waiting to happen among a series of groups that have, for the past 40 years or more, defined themselves as mutual antagonists.

Take the white-dominated labor movement. Because of its declining city membership it cannot protect itself against low-wage privatization and the destruction of regional labor market standards, let alone assure the public investments needed to support high-wage production and services, without the voting support of central city black and Latino populations. And those populations know that their economic devastation will not be reversed anytime soon through an increased welfare effort or expanded public sector. They need private sector investment and jobs within their communities —best provided by firms and individuals rooted in those communities themselves— and they need those jobs to pay a living wage—all things more likely to be achieved if they were allied with unions.

At the same time, environmentalists and those concerned about organization inside firms may find common ground on the supply-side of production. Just as unions have found that they can only defend member interests by invading what was once taken to be the inviolate “core of entrepreneurial control” —decisions about technology, product strategy, investment, work organization, work relocation and the like— environmentalists recognize that moving from pollution abatement to source-reduction requires a presence inside the firm.

Even inner-ring suburbs, now suffering from the same low-wage sprawl that helped destroy the cities, have common cause with the cities against which they have so long defined their politics.

“*These changes make it harder to decide what the economic fight is all about, as they blur the boundaries between society and household— which institutions are responsible for what*”

Running the economy as if values, and place, mattered

A natural place to begin such movement is with the economy. The dominant experience of most Americans is that the economy is running their lives (down), and they have generally given up hope that the world could be any different. The conventional explanation is that the internationalization of product, capital, and even labor markets makes social control of the economy impossible. With everything in the economy slopping around or potentially slopping around and across international borders, political boundaries have lost their economic significance. Place doesn't matter. And because it does not, there is no way to make values matter—for people organized in some place to impose some social standards on the economy.

But this description of our economy and the possibilities of its social direction is deeply misleading. Internationalization, while important, has been vastly exaggerated: most U.S. manufacturers buy and sell overwhelmingly to themselves; most manufacturing sectors have exiguous international competition; and the long-run trend of the U.S. economy is

available. Choices between them can be shaped by factors clearly under our control. Even the diminished state retains a large share of employment and purchasing power, not to mention the ability to pass laws; it can use that power to establish standards on economic practice, to support some strategies of industrial restructuring over others, to limiting public supports to those adhering to public standards. And even a rootless capital relies, in its most advanced productive forms, on immobile public goods—decent school systems, transport systems, safe neighborhoods, clean environments—which if provided in places can help root investment there.

Even if such a project were available in theory, however, would it be available in practice? Is there any good reason to think that its potential beneficiaries could actually unite in its advance?

Yes there is. Consider, as a hard case, our nation's major metropolitan areas—where most people live, where the consequences of an economy untutored by social control are painfully evident, where those who would benefit from a more humane order are profoundly divided. Even there, a political alliance is

A new democratic politics, emerging at the local level and recognizing the heterogeneity of the new world, might first dedicate itself to bringing these people together on a high-wage, low-waste, metropolitan development strategy.

The core of this strategy is straightforward. Instead of using tax abatements and other giveaways to lure firms to our metropolitan cores, such incentives would be coupled with conditions on hiring, training and compensation. Those that invested and hired and trained in certain areas would be rewarded for that investment; those that did not would not. Instead of using public monies to subsidize low-wage firms—as is now generally the case in movements to privatize government services—we would have “living wage (and benefits)” standards that guided all government purchases and contracts. Instead of simply encouraging the young and dislocated workers to “get smart” with additional education and training, we would establish regional labor market boards, sectoral training and employment consortia, regional “hiring halls” and job location assistance to forge more organic links between training and employment opportunities.

Efforts of this kind would naturally be allied with efforts to diversify the ownership base of the local economy, with supports directed not to attracting rootless capital but developing firms attached to that economy. Business development assistance would be directed to those investing and employing *there*. Smaller and start-up firms would be the targets of modernization assistance—from advice on best technology applications to intensive assistance in

managerial skills, perhaps pooled across clusters of firms. And environmental costs, throughout, would be taken seriously both as a source of capital and employment opportunity. Projected energy savings (most cities still import most of their energy) from conservation and local sourcing programs could be used to capitalize the training and investment needed to realize them.

Of course places vary, and countless details of a regionally organized economic project would depend on location. But the common thread uniting the separate efforts would be a democratic economy, guided by constant discussion among citizens about the terms of their cooperation. The result would be regional economies with higher levels of advanced production, less



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pollution, more fairly distributed employment opportunities, better-paying jobs, and a revived tax base to reinvest in social and physical infrastructure. We would roll back urban devastation, while declaring democracy to be both an intrinsic good and a new force of production.

Rebuilding the civil infrastructure

Again, for any of this to happen people must be organized. When it comes to norms on business, the need for organizations is clear. A disorganized people will *always* be defeated by private business power, which can be expected to resist standards of accountability. But organization is also essential for economic and social administration and for the process of alliance-building and shared deliberation about social problems.

them. You just can't get occupational safety and health unless workers know how to spot problems inside firms; you can't get suitable intervention in industrial restructuring without the know-how of those involved; you can't get good education inside classrooms unless parents support what's going on in them; you can't get public safety without engaging the community, as well as the cops, in upholding standards of behavior. Sometimes organization is needed merely to supplement state capacity to monitor or enforce existing standards. Sometimes it's needed to define and help solve problems that everyone knows are important but that government cannot legislate away. Either way, citizen organization is a condition of effective governance.

The problem in America now is that popular organization is widely

it should certainly be possible to put forth a program of public funding for citizen action —ideally, perhaps, in the form of a universal citizen tax-credit or special voucher that enables citizens to subsidize their chosen candidates or parties. By permitting those with popular support but little money to mount credible candidacies, such a program would make office-holding more widely available and ensure greater equality of opportunity for political influence. And it would —combined perhaps with significant limits on campaign contributions— restore some measure of citizen confidence in government and electoral accountability.

With elections cleaned up in this way, moreover, the road would be cleared for other efforts to build democracy's social infrastructure. Moving beyond the "live free or die" choice between public hierarchies and private markets, democrats should be encouraging the state to convene and staff the private deliberations and deals needed to solve social problems. Instead of simply revving up environmental regulations or scaling back on their enforcement, local government might, for example, bring industry, environmental advocacy, and community and labor groups together, and say roughly "these are the general standards the voters have decided they want met; you figure out a way to meet them and get back to us with your proposal." Or radical labor law reform could facilitate worker formation of "unions" —not only the sorts of organizations that go by that name now but various kinds of independent worker organizations rooted in the economy. And those unions could be assigned a role in economic reconstruction

“All this will require a sharp break with conventional liberal politics”

For many social problems, the proper answer to the question "should we give this one to the state, or leave it to private markets" is a double negative; neither public hierarchy nor unregulated market exchange is sufficient to generate the right outcome. That the market fails to respect social norms again is obvious; given the opportunity, firms will pollute, pay their workers as little as possible, and otherwise run down social standards. But it should be equally clear that the "all thumbs, no fingers" state commonly lacks the political capacity to specify reasonable standards, the monitoring and enforcement capacities to make standards stick, or the local knowledge to find the best means for achieving

trashed and politically excluded. Within our formal political system, the power of organized money dominates organized groups. In addition, citizens are disabled from organizing themselves as workers, consumers, taxpayers and shareholders in public and private wealth. So what to do?

As regards the formal political system, anyone committed to democracy should also be committed to the democratic financing of elections. Of course, in a capitalist system such as ours, any democratic financing commitment needs to be realistic. No matter how much private money we get out of politics and how much public money we get in, those with economic advantages will find a way to exploit them. But

—say, through their assistance in organizing regional labor market boards, sectoral training consortia, or new hiring halls for youth and displaced workers. Throughout, state purchasing power as well as other means could be used to encourage associations and deliberative arenas that are democratic, sufficiently inclusive of affected interest, and technically informed.

Such developments would produce a government much more genuinely “of the people” and administration and definition of social problems infinitely more “by the people.” The state would certainly not disappear, but its appropriate function as the privileged arena of popular deliberation about social ends, and articulator of social standards, would be more prominent than its increasingly delegitimized role as administrator of problems it lacks the capacity to solve.

Who, then?

If the polls and common sense are to be believed, such a program could reach a huge political market. Still, it will need to be fought for. And that fight requires something that acts like a political party—an encompassing political organization that exists to articulate programs and to advance them by winning elections.

Is that the Democratic Party? At the national level, at least anytime soon, we seriously doubt it. National Democratic Party leadership is almost wholly business-dominated. And for most middle-class liberal Democratic supporters, the thought of turning power over to people is horrifying—a world of right-wing talk radio and regressive state initiatives. For both types of activists and controllers, a program like this would require a jump out of their skins.

In truth, however, we cannot hope to influence national leadership anytime soon, and don’t need to wait on it to get started. At the local level, it is possible to imagine political formations, operating both inside and outside the Democratic Party, that could arise almost overnight to do the necessary work. These would be value-centered organizations (parties) rather than candidate-centered ones. And they would operate first in the netherworld of non-partisan races and local partisan ones that do not draw the big money or where party label is less important or obscure. Building those organizations—as, for example, the New Party is now doing in several cities—is a natural project for progressives, postponing any final adjudication about relations with national Democrats.

Imagine, then, New Party or New Party-like formation that help catalyze efforts at comprehensive alternative economic development and radical democratic reform—paving the road as they move along it—and recruit average citizens to run for office (often non-partisan office) on the basis of their commitment to that program. Imagine that these separate efforts share intellectual and financial resources—for program development, training, media—and think of themselves as united; at least in their effort to bring this kind of alternative to the American people. Imagine this alternative working in major metropolitan areas, through a combustible mix of strange allies on a more moral economy, facilitated by state action, and changes in the rules of the game to assist both. Imagine this done in 10 states with major electoral populations—states in which capture of the major metropolitan areas would give powerful weight in state governments themselves. Let

your imagination go from there, or just imagine much better-run and democratic metropolitan regions and states. Either way it’s a win.

Possibility and necessity

This sort of strategy is available to us. Last November, as the Democrats were going down to defeat, citizen-led initiatives on radical campaign finance reform along the lines mentioned passed in Montana, Oregon and Missouri, and missed only narrowly in Colorado; in Massachusetts, the threat of such an initiative forced the legislature to its most radical campaign finance reform in history. Today, substantial efforts at comprehensive alternative economic development, also along the lines indicated, are underway in places as diverse as Brooklyn, Detroit, Milwaukee, Chicago, Oregon and San Jose—with real discussion across issues, real norms imposed on the regional economy, real deals being cut between former antagonists. And, running on a program of democratic reform and alternative development, over the past two years the heavily urban-based New Party has won 80 out of 100 sub-Congressional electoral races—electing candidates to school boards, administrative authorities, city councils, county boards and state legislatures.

Given the availability of this strategy, and the absence of anything more than a “let’s keep them from beating up on us too badly” response to Republican schemes, there is—not to put too fine a point on it—a good case for not standing by and watching. It is possible to imagine a path forward to a more democratic country, a path starting right where we are now. To move along it, though, ordinary citizens need to get up, greet others also rising, and... *start to walk together.* ✕