Rolling Back the 20th Century
by William Greider
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I. Back to the Future

George W. Bush, properly understood, represents the third and most powerful wave in the right's long-running assault on the governing order created by twentieth-century liberalism. The first wave was Ronald Reagan, whose election in 1980 allowed movement conservatives finally to attain governing power (their flame was first lit by Barry Goldwater back in 1964). Reagan unfurled many bold ideological banners for right-wing reform and established the political viability of enacting regressive tax cuts, but he accomplished very little reordering of government, much less shrinking of it. The second wave was Newt Gingrich, whose capture of the House majority in 1994 gave Republicans control of Congress for the first time in two generations. Despite some landmark victories like welfare reform, Gingrich flamed out quickly, a zealous revolutionary ineffective as legislative leader.

George Bush II may be as shallow as he appears, but his presidency represents a far more formidable challenge than either Reagan or Gingrich. His potential does not emanate from an amiable personality (Al Gore, remember, outpolled him in 2000) or even the sky-high ratings generated by 9/11 and war. Bush's governing strength is anchored in the long, hard-driving movement of the right that now owns all three branches of the federal government. Its unified ranks allow him to govern aggressively, despite slender GOP majorities in the House and Senate and the public's general indifference to the right's domestic program.

The movement's grand ambition—one can no longer say grandiose—is to roll back the twentieth century, quite literally. That is, defenestrate the federal government and reduce its scale and powers to a level well below what it was before the New Deal's centralization. With that accomplished, movement conservatives envision a restored society in which the prevailing values and power relationships resemble the America that existed around 1900, when William McKinley was President. Governing authority and resources are dispersed from Washington, returned to local levels and also to individuals and private institutions, most notably corporations and religious organizations. The primacy of private property rights is re-established over the shared public priorities expressed in government regulation. Above all, private wealth—both enterprises and individuals with higher incomes—are permanently insulated from the progressive claims of the graduated income tax.

These broad objectives may sound reactionary and destructive (in historical terms they are), but hard-right conservatives see themselves as liberating reformers, not destroyers, who are rescuing old American virtues of self-reliance and individual autonomy from the clutches of collective action and "statist" left-wingers. They do not expect any of these far-reaching goals to be fulfilled during Bush's tenure, but they do assume that history is on their side and that the next wave will come along soon (not an unreasonable expectation, given their great gains during the past thirty years). Right-wingers—who once seemed frothy and fratricidal—now understand that three steps forward, two steps back still adds up to forward progress. It's a long march, they say. Stick together, because we are winning.

Many opponents and critics (myself included) have found the right's historic vision so improbable that we tend to guffaw and misjudge the political potency of what it has put together. We might ask ourselves: If these ideas are so self-evidently cockeyed and reactionary, why do they keep advancing? The right's unifying idea--get the government out of our lives--has broad popular appeal, at least on a sentimental level, because it represents an authentic core value in the American experience ("Don't tread on me" was a slogan in the Revolution). But the true source of its strength is the movement's fluid architecture and durability over time, not the passing personalities of Reagan-Gingrich-Bush or even the big money from business. The movement has a substantial base that believes in its ideological vision—people alarmed by cultural change or injured in some way by government intrusions, coupled with economic interests that have very strong reasons to get government off their backs--and the right has created the political mechanics that allow these disparate elements to pull together. Cosmopolitan corporate executives hold their noses and go along with Christian activists trying to stamp out "decadent" liberal culture. Fed-up working-class conservatives support business's assaults on their common enemy, liberal government, even though they may be personally injured when business objectives triumph.

The right's power also feeds off the general decay in the political system—the widely shared and often justifiable resentments felt toward big government, which no longer seems to address the common concerns of ordinary citizens.

I am not predicting that the right will win the governing majority that could enact the whole program, in a kind of right-wing New Deal—and I will get to some reasons why I expect their cause to fail eventually. The farther they advance, however, the less inevitable is their failure.

II. The McKinley Blueprint
In the months after last November's elections, the Bush Administration rattled progressive sensibilities with shock and awe on the home front—a barrage of audacious policy initiatives: Allow churches to include sanctuaries of worship in buildings financed by federal housing grants. Slash hundreds of billions in domestic programs, especially spending for the poor, even as the Bush tax cuts kick in for the well-to-do. At the behest of Big Pharma, begin prosecuting those who help the elderly buy cheaper prescription drugs in Canada. Compel the District of Columbia to conduct federally financed school voucher experiments (even though DC residents are overwhelmingly opposed). Reform Medicaid by handing it over to state governments, which will be free to make their own rules, much like welfare reform. Do the same for housing aid, food stamps and other long-established programs. Redefine “wetlands” and “wilderness” so that millions of protected acres are opened for development.

Liberal activists gasped at the variety and dangerous implications (the public might have been upset too but was preoccupied with war), while conservatives understood that Bush was laying the foundations, step by step, toward their grand transformation of American life. These are the concrete elements of their vision:

Eliminate federal taxation of private capital, as the essential predicate for dismantling the progressive income tax. This will require a series of reform measures (one of them, repeal of the estate tax, already accomplished). Bush has proposed several others: elimination of the tax on stock dividends and establishment of new tax-sheltered personal savings accounts for the growing “investor class.” Congress appears unwilling to swallow these, at least this year, but their introduction advances the education-agitation process. Future revenue would be harvested from a single-rate flat tax on wages or, better still, a stiff sales tax on consumption. Either way, labor gets taxed, but not capital. The 2003 Economic Report of the President, prepared by the Council of Economic Advisers, offers a primer on the advantages of a consumption tax and how it might work. Narrowing the tax base naturally encourages smaller government.

Gradually phase out the pension-fund retirement system as we know it, starting with Social Security privatization but moving eventually to breaking up the other large pools of retirement savings, even huge public-employee funds, and converting them into individualized accounts. Individuals will be rewarded for taking personal responsibility for their retirement with proposed “lifetime savings” accounts where capital is stored, forever tax-exempt. Unlike IRAs, which provide a tax deduction for contributions, wages are taxed upfront but permanently tax-sheltered when deposited as “lifetime” capital savings, including when the money is withdrawn and spent. Thus this new format inevitably threatens the present system, in which employers get a tax deduction for financing pension funds for their workers. The new alternative should eventually lead to repeal of the corporate tax deduction and thus relieve business enterprise of any incentive to finance pensions for employees. Everyone takes care of hims elf.

Withdraw the federal government from a direct role in housing, healthcare, assistance to the poor and many other long-established social priorities, first by dispersing program management to local and state governments or private operators, then by steadily paring down the federal government's financial commitment. If states choose to kill an aid program rather than pay for it themselves, that confirms that the program will not be missed. Any slack can be taken up by the private sector, philanthropy and especially religious institutions that teach social values grounded in faith.

Restore churches, families and private education to a more influential role in the nation's cultural life by giving them a significant new base of income—public money. When “school choice” tuitions are fully available to families, all taxpayers will be compelled to help pay for private school systems, both secular and religious, including Catholic parochial schools. As a result, public schools will likely lose some of their financial support, but their enrollments are expected to shrink anyway, as some families opt out. Although the core of Bush's "faith-based initiative" stalled in Congress, he is advancing it through new administrative rules. The voucher strategy faces many political hurdles, but the Supreme Court is out ahead, clearing away the constitutional objections.

Strengthen the hand of business enterprise against burdensome regulatory obligations, especially environmental protection, by introducing voluntary goals and “market-driven” solutions. These will locate the decision-making on how much progress is achievable within corporate managements rather than enforcement agencies (an approach also championed in this year's Economic Report). Down the road, when a more aggressive right-wing majority is secured for the Supreme Court, conservatives expect to throw a permanent collar around the regulatory state by enshrining a radical new constitutional doctrine. It would require government to compensate private property owners, including businesses, for new regulations that impose costs on them or injure their profitability, a formulation sure to guarantee far fewer regulations [see Greider, "The Right and US Trade Law," October 15, 2001].

Smash organized labor. Though unions have lost considerable influence, they remain a major obstacle to achieving the right's vision. Public-employee unions are formidable opponents on issues like privatization and
school vouchers. Even the declining industrial unions still have the resources to mobilize a meaningful collective action. The mobilizations of citizens in behalf of broad social demands are inimical to the right's vision of autonomous individuals, in charge of their own affairs and acting alone. Unions may be taken down by a thousand small cuts, like stripping "homeland security" workers of union protection. They will be more gravely weakened if pension funds, an enduring source of labor power, are privatized.

Looking back over this list, one sees many of the old peevish conservative resentments—Social Security, the income tax, regulation of business, labor unions, big government centralized in Washington—represent the great battles that conservatives lost during early decades of the twentieth century. That is why the McKinley era represents a lost Eden the right has set out to restore. Grover Norquist, president of Americans for Tax Reform and a pivotal leader in the movement's inside-outside politics, confirms this observation. "Yes, the McKinley era, absent the protectionism," he agrees, is the goal. "You're looking at the history of the country for the first 120 years, up until Teddy Roosevelt, when the socialists took over. The income tax the death tax, regulation, all that." (In foreign policy, at least, the Bush Administration could fairly be said to have already restored the spirit of that earlier age. Justifying the annexation of the Philippines, McKinley famously explained America's purpose in the world: "There was nothing left for us to do but to take them all, and to educate the Filipinos, and uplift and civilize and Christianize them, and by God's grace do the very best we could by them, as our fellow men for whom Christ also died.")

But the right employs a highly selective memory. McKinley Republicans, aligned with the newly emergent industrial titans, did indeed hold off the Progressive advocates of a federal income tax and other reforms, while its high tariffs were the equivalent of a stiff consumption tax. And its conservative Supreme Court blocked regulatory laws designed to protect society and workers as unconstitutional intrusions on private property rights.

But the truth is that McKinley's conservatism broke down not because of socialists but because a deeply troubled nation was awash in social and economic conflicts, inequities generated by industrialization and the awesome power consolidating in the behemoth industrial corporations (struggles not resolved until economic crisis spawned the New Deal). Reacting to popular demands, Teddy Roosevelt enacted landmark Progressive reforms like the first federal regulations protecting public health and safety and a ban on corporate campaign contributions. Both Roosevelt and his successor, Republican William Howard Taft, endorsed the concept of a progressive income tax and other un-Republican measures later enacted under Woodrow Wilson.

George W. Bush does not of course ever speak of the glories of the McKinley era or acknowledge his party's retrograde objectives (Ari Fleischer would bat down any suggestions to the contrary). Conservatives learned, especially from Gingrich's implosion, to avoid flamboyant ideological proclamations. Instead, the broader outlines are only hinted at in various official texts. But there's nothing really secretive about their intentions. Right-wing activists and think tanks have been openly articulating the goals for years. Some of their ideas that once sounded loopy are now law.

III. The Ecumenical Right

The movement "is moving with the speed of a glacier," explains Martin Anderson, a senior fellow at Stanford's Hoover Institution who served as Reagan's house intellectual, the keeper of the flame, and was among the early academics counseling George W. Bush. "It moves very slowly, stops sometimes, even retreats, but then it moves forward again. Sometimes, it comes up against a tree and seems stuck, then the tree snaps and people say, 'My gosh, it's a revolution.'" To continue the metaphor, Anderson thinks this glacier will run up against some big boulders that do not yield, that the right will eventually be stopped short of grand objectives like small government or elimination of the income tax. But they've made impressive progress so far.

For the first time since the 1920s, Congress, the White House and the Supreme Court are all singing from same hymnal and generally reinforcing one another. The Court's right-wing majority acts to shrink federal authority, block citizen challenges of important institutions and hack away at the liberal precedents on civil rights, regulatory law and many other matters (it even decides an election for its side, when necessary).

Bush, meanwhile, has what Reagan lacked—a Reaganesque majority in Congress. When the Gipper won in 1980, most Republicans in Congress were still traditional conservatives, not radical reformers. The majority of House Republicans tipped over to the Reaganesque identity in 1984, a majority of GOP senators not until 1994. The ranks of the unconverted—Republicans who refuse to sign Norquist's pledge not to raise taxes—are now, by his count, down to 5 percent in the House caucus, 15 percent in the Senate.

This ideological solidarity is a central element in Bush's governing strength. So long as he can manage the flow of issues in accord with the big blueprint, the right doesn't shoot at him when he makes politically sensitive deviations (import quotas for steel or the lavish new farm-subsidy bill). It also helps that, especially in the House, the GOP leaders impose Stalinist discipline on their troops. Bush also reassures the far right by making it clear that he is one of them. Reagan used to stroke the Christian right with strong rhetoric on social issues but gave them very little else (the man...
was from Hollywood, after all).

Bush is a true believer, a devout Christian and exceedingly public about it. Bush's principal innovation--a page taken from Bill Clinton's playbook--is to confuse the opposition's issues by offering his own compassion-lite alternatives, co-opting or smothering Democratic initiatives. Unlike Clinton, Bush does not mollify his political base with empty gestures. Their program is his program.

"Reagan talked a good game on the domestic side but he actually didn't push for much," says Paul Weyrich, leader of the Free Congress Foundation and a movement pioneer. "Likewise, the Gingrich era was a lot of rhetoric. This Administration is far more serious and disciplined, ... they have better outreach than any with which I have dealt. These people have figured out how to communicate regularly with their base, make sure it understands what they're doing. When they have to go against their base, they know how to inoculate themselves against what might happen."

Norquist's ambition is that building on its current strength, the right can cut government by half over the next twenty-five years to "get it down to the size where we can drown it in the bathtub" [see Robert Dreyfuss, "Grover Norquist: 'Field Marshal' of the Bush Tax Plan," May 14, 2001]. The federal government would shrink from 20 percent of GDP to 10 percent, state and local government from 12 to 6 percent. When vouchers become universally available, he expects public schools to shrink from 6 to 3 percent of GDP. "And we'll have better schools," he assures. People like Norquist play the role of constantly pushing the boundaries of the possible. "I'm lining up support to abolish the alternative minimum tax," he says. "Has Bush spoken to this? No. I want to run ahead, put our guys on the record for it. So I will be out in front of the Bush Administration, not attacking the Bush Administration. Will he do everything we want? No, but you know what? I don't care."

Americans for Tax Reform serves as a kind of "action central" for a galaxy of conservative interests, with support from corporate names like Microsoft, Pfizer, AOL Time Warner, R.J. Reynolds and the liquor industry. "The issue that brings people to politics is what they want from government," Norquist explains. "All our people want to be left alone by government. To be in this coalition, you only need to have your foot in the circle on one issue. You don't need a Weltanschauung, you don't have to agree with every other issue, so long as the coalition is right on yours. That's why we don't have the expected war within the center-right coalition. That's why we can win."

One of the right's political accomplishments is bringing together diverse, once-hostile sectarians. "The Republican Party used to be based in the Protestant mainline and aggressively kept its distance from other religions," Norquist observes. "Now we've got observant Catholics, the people who go to mass every Sunday, evangelical Christians, Mormons, orthodox Jews, Muslims." How did it happen? "The secular left has created an ecumenical right," he says. This new tolerance, including on race, may represent meaningful social change, but of course the right also still feeds on intolerance too, demonizing those whose values or lifestyle or place of birth does not conform to their idea of "American."

This tendency, Norquist acknowledges, is a vulnerability. The swelling ranks of Latino and Asian immigrants could become a transforming force in American politics, once these millions of new citizens become confident enough to participate in election politics (just as European immigrants became a vital force for liberal reform in the early twentieth century). So Bush labors to change the party's anti-immigrant profile (and had some success with Mexican-Americans in Texas).

Norquist prefers to focus on other demographic trends that he believes insure the right's eventual triumph: As the children of the New Deal die off, he asserts, they will be replaced by young "leave me alone" conservatives. Anderson, the former Reagan adviser, is less certain. "Most of the people like what government is doing," he observes. "So long as it isn't overintrusive and so forth, they're happy with it."

IV. Show Me the Money

Ideology may provide the unifying umbrella, but the real glue of this movement is its iron rule for practical politics: Every measure it enacts, every half-step it takes toward the grand vision, must deliver concrete rewards to one constituency or another, often several--and right now, not in the distant future. Usually the reward is money. There is nothing unusual or illegitimate about that, but it sounds like raw hypocrisy considering that the right devotes enormous energy to denouncing "special-interest politics" on the left (schoolteachers, labor unions, bureaucrats, Hollywood). The right's interest groups, issue by issue, bring their muscle to the cause. Bush's "lifetime savings" accounts constitute a vast new product line for the securities industry, which is naturally enthused about marketing and managing these accounts. The terms especially benefit the well-to-do, since a family of four will be able to shelter up to $45,000 annually (that's more than most families earn in a year). The White House has enlisted Fortune 500 companies to spread the good news to the investor class in their regular mailings to shareholders.

Bush's "market-friendly" reforms for healthcare would reward two business sectors that many consumers regard as the problem--drug companies and HMOs. Big Pharma would get the best of all worlds: a federal subsidy for prescription
The road ahead is far more difficult than he makes it sound, because along the way a lot of people will discover that they are to be the losers. In fact, the McKinley vision requires vast sectors of society to pay dearly, and from their own pockets. Martin Anderson has worked through the flat-tax arithmetic many times, and it always comes out a political loser. "The conservatives all want to revolutionize the tax system, frankly because they haven't thought it through," Anderson says. "It means people from zero to $35,000 income pay no tax and anyone over $150,000 is going to get a tax cut. The people in between get a tax increase, unless you cut federal spending. That's not going to happen."

Likewise, any substantial consumption tax does severe injury to another broad class of Americans--the elderly. They were already taxed when they were young and earning and saving their money, but a new consumption tax would now tax their money again as they spend it. Lawrence Lindsey, Bush's former economic adviser, has advocated a consumption-based flat tax that would probably require a rate of 21 percent on consumer purchases (like a draconian sales tax). He concedes, "It would be hitting the current generation of elderly twice. So it would be a hard sell."

"School choice" is also essentially a money issue, though this fact has been obscured by the years of Republican rhetoric demonizing the public schools and their teachers. Under tuition vouchers, the redistribution of income will flow from all taxpayers to the minority of American families who send their children to private schools, religious and secular. Those children are less than 10 percent of the 52 million children enrolled in K-12. You wouldn't know it from reading about the voucher debate, but the market share of private schools actually declined slightly during the past decade.

The Catholic parochial system stands to gain the most from public financing, because its enrollment has declined by about half since the 1960s (to 2.6 million). Though there was some growth during the 1990s, it was in the suburbs, not cities. Other private schools, especially religious schools in the South, grew more during the past decade (by about 400,000), but public schools expanded far faster, by 6 million. The point is, the right's constituency for "school choice" remains a small though fervent minority.

Conservatives have cleverly transformed the voucher question into an issue of racial equality--arguing that they are the best way to liberate impoverished black children from bad schools in slum surroundings. But educational quality notwithstanding, it is not self-evident that private schools, including the Catholic parochial system, are disposed to solve the problem of minority education, since they are highly segregated themselves. Catholic schools enroll only 2.5 percent of black students nationwide and, more telling, only 3.8 percent of Hispanic children, most of whom are Catholic. In the South hundreds of private schools originated to escape integration and were supported at first by state tuition grants (later ruled unconstitutional). "School choice," in short, might very well finance greater racial separation--the choice of whites to stick with their own kind--and at public expense.

The right's assault on environmental regulation has a similar profile. Taking the lead are small landowners or Western farmers who make appealing pleas to be left alone to enjoy their property and take care of it conscientiously. Riding alongside are developers and major industrial sectors (and polluters) eager to win the same rights, if not from Congress then the Supreme Court. But there's one problem: The overwhelming majority of Americans want stronger environmental standards and more vigorous enforcement.

V. Are They Right About America?
"Leave me alone" is an appealing slogan, but the right regularly violates its own guiding principle. The antiabortion folks intend to use government power to force their own moral values on the private lives of others. Free-market right-wingers fall silent when Bush and Congress intrude to bail out airlines, insurance companies, banks--whatever sector finds itself in desperate need. The hard-right conservatives are downright enthusiastic when the Supreme Court and Bush's Justice Department hack away at our civil liberties. The "school choice" movement seeks not smaller government but a vast expansion of taxpayer obligations. Maybe what the right is really seeking is not so much to be left alone by government but to use government to reorganize society in its own right-wing image. All in all, the right's agenda promises a reordering that will drive the country toward greater separation and segmentation of its many social elements--higher walls and more distance for those who wish to protect themselves from messy diversity. The trend of social disintegration, including the slow breakup of the broad middle class, has been under way for several decades--fissures generated by growing inequalities of status and well-being. The right proposes to legitimize and encourage these deep social changes in the name of greater autonomy. Dismantle the common assets of society, give people back their tax money and let everyone fend for himself.

Is this the country Americans want for their grandchildren or great-grandchildren? If one puts aside Republican nostalgia for McKinley's gaslight era, it was actually a dark and troubled time for many Americans and society as a whole, riven as it was by harsh economic conflict and social neglect of everyday brutalities.

Autonomy can be lonely and chilly, as millions of Americans have learned in recent years when the company canceled their pensions or the stock market swallowed their savings or industrial interests destroyed their surroundings. For most Americans, there is no redress without common action, collective efforts based on mutual trust and shared responsibilities. In other words, I do not believe that most Americans want what the right wants. But I also think many cannot see the choices clearly or grasp the long-term implications for the country.

This is a failure of left-liberal politics. Constructing an effective response requires a politics that goes right at the ideology, translates the meaning of Bush's governing agenda, lays out the implications for society and argues unabashedly for a more positive, inclusive, forward-looking vision. No need for scaremongering attacks; stick to the well-known facts. Pose some big questions: Do Americans want to get rid of the income tax altogether and its longstanding premise that the affluent should pay higher rates than the humble? For that matter, do Americans think capital incomes should be excused completely from taxation while labor incomes are taxed more heavily, perhaps through a stiff national sales tax? Do people want to give up on the concept of the "common school"--one of America's distinctive achievements? Should property rights be given precedence over human rights or society's need to protect nature? The recent battles over Social Security privatization are instructive: When the labor-left mounted a serious ideological rebuttal, well documented in fact and reason, Republicans scurried away from the issue (though they will doubtless try again).

To make this case convincing, however, the opposition must first have a coherent vision of its own. The Democratic Party, alas, is accustomed to playing defense and has become wary of "the vision thing," as Dubya's father called it. Most elected Democrats, I think, now see their role as managerial rather than big reform, and fear that even talking about ideology will stick them with the right's demon label: "liberal." If a new understanding of progressive purpose does get formed, one that connects to social reality and describes a more promising future, the vision will not originate in Washington but among those who see realities up close and are struggling now to change things on the ground. We are a very wealthy (and brutally powerful) nation, so why do people experience so much stress and confinement in their lives, a sense of loss and failure? The answers, I suggest, will lead to a new formulation of what progressives want.

The first place to inquire is not the failures of government but the malformed power relationships of American capitalism--the terms of employment that reduce many workers to powerless digits, the closely held decisions of finance capital that shape our society, the waste and destruction embedded in our system of mass consumption and production. The goal is, like the right's, to create greater self-fulfillment but as broadly as possible. Self-reliance and individualism can be made meaningful for all only by first reviving the power of collective action.

My own conviction is that a lot of Americans are ready to take up these questions and many others. Some are actually old questions--issues of power that were not resolved in the great reform eras of the past. They await a new generation bold enough to ask if our prosperous society is really as free and satisfied as it claims to be. When conscientious people find ideas and remedies that resonate with the real experiences of Americans, then they will have their vision, and perhaps the true answer to the right wing.

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