

Special-Interest Democracy *by Arthur Shenfield*

*"Millions endeavoring to supply
Each other's lust and vanity."*

—Bernard Mandeville

Milton and Rose Friedman: *The Tyranny of the Status Quo*; Harcourt Brace Jovanovich; San Diego, CA.

Amitai Etzioni: *Capital Corruption*; Harcourt Brace Jovanovich; San Diego, CA.

It is a commonplace that modern democracy suffers from a grave malady, namely the dominance of sectional interest groups. Majority rule turns out to be a species of minority rule. What is enacted by legislatures is done by formal majorities, but it does not serve the interests of the majority of the people, nor does it represent

one or more of the others may do likewise. The result is general loss, and sectional gain, except very occasionally in the short run, is less than that of the general loss. The malady is as old as democracy itself, indeed as old as politics, though its symptoms in non-democratic systems may be different from those in democratic systems. It has sealed the fate of many a political order, and democracy is no more immune from its deadly consequences than other systems.

It may be contended that bargains between sectional interests under which each may prey in turn upon the general interest, themselves represent the general interest if the bargainers add up to a majority of the people. In fact they very rarely do, but even if they did this contention would have only a superficial truth. The deeper and more important truth is that each sectional interest is organized to see its own quick advantage, but hopelessly unorganized to see, or is blinded to, the cost imposed upon it by the other sectional interests. Add this consequent loss to the loss imposed upon the unorganized millions who pay for the depredations of all the sectional interests, it remains clearly true that sectional-interest bargains run counter to the general interest, even in the rare cases where the bargainers add up to, or represent, a majority of the people.

This malady exercises the minds both of the Friedmans and of Amitai Etzioni. But how different are their diagnoses and their remedies!

The Friedmans' *Tyranny of the Status Quo* is a sequel to their best-selling *Free to Choose*. The status quo is the situation established and heavily guarded by the "Iron Triangle," in the three corners of which are the direct beneficiaries of sectionally inspired policies and enactments, the bureaucrats who thrive on them, and the politicians who seek votes by means of them. Its tyranny, according to the Friedmans, is powerful enough to arrest and then reverse the efforts of

innovating politicians to break out of the triangle. Such politicians are elected because the status quo breeds discontent in the people. Without fully understanding why or how they themselves have acquiesced in it or caused it, the majority of the people sense that there is something wrong in the prevailing system. The discontent gives innovating or reforming politicians six to nine months at most in which to make fundamental changes. Support for reform then wears off and the Iron Triangle reasserts its power.

Thus it has been that President Reagan and Mrs. Thatcher, both proclaiming the need to reverse the errors of decades, were elected with large majorities. In their first few months they initiated great changes, but then the forces of the status quo reasserted themselves, and at best Mr. Reagan and Mrs. Thatcher have managed only to prevent a headlong retreat to the perilous ways of their predecessors.

Although the status quo of 1932 was vastly different from that of 1980, the Friedmans discern the same law in the case of Franklin Roosevelt's New Deal. The major social and economic changes were made in the famous "one hundred days" special congressional session which Roosevelt called immediately after his inauguration. However, here they see a qualification to the rule of the status quo. Thus "if the early successes of a new administration reflect a basic change in public opinion, the apparent lack of further progress after the first six to nine months will be deceptive. The early actions will continue to have their effects after they have disappeared from the front pages. The altered political atmosphere will lead the defeated opposition to modify its political position. Even if the opposition succeeds in returning to power, it will not pursue the same course that it pursued before." In this case, the Republicans in opposition came to acquiesce in, in many cases to firmly believe in, the myths and superstitions of the New Deal revolution, which thus sank deep into the minds of the American people.

All in all, the lesson to be drawn from these considerations is not only



what the majority of the people, with eyes open, would choose for themselves. The eternal conflict between the general interest and sectional interests avoid to batten upon the general interest is settled by a series of bargains between the sectional interests. Each is allowed to suck the milk of the general community on condition that

Arthur Shenfield, former director of The British Industrial Policy Group and of The International Institute for Economic Research, is an economist, barrister, and author.

that new Administrations have no more than a short time to enact major changes in law and public policy, but also that even if these are made within the brief favorable period, they are unlikely to have a permanent effect unless they reflect or produce a sea change in public opinion.

It follows, according to this argument, that in modern democracies, simply changing the rulers will not do. To defeat the Iron Triangle, the Constitutional rules, not the political rulers, must be changed. This, the Friedmans say, was the experience of the framers of the American Constitution when the very existence of the United States was threatened by the fissiparous tendencies of the Articles of Confederation. Accordingly, they commend the Constitutional route now being taken to balance the budget, to set a limit to taxation, and to provide a line-item veto power for the President, who is distinguished from all other politicians in that he alone, with his Vice President, is elected by the whole people and therefore in this measure represents the general interest.

It is a powerful argument, and in my judgment, essentially correct. It is backed in this book by an analysis of a wide range of problems, taxation, government expenditure, inflation, unemployment, tariffs, defense, even crime and education, all done with the clarity of exposition familiar to the readers of *Free to Choose*. (Even in the one instance where, as I believe, the Friedmanite case is not proven, namely the advocacy of legitimization of the use of, and the traffic in, addictive drugs, the prose is clear.) Fortunate indeed is a nation which has mentors such as the Friedmans!

The subject of *Capital Corruption* is the alleged corruption of the political process by private moneyed interests. Is there anything new about this? Amitai Etzioni thinks that there is. He alleges that a powerful new corrupting force has arisen in the form of the PAC's, and he is very excited about it. In his view they have raised the political power of private money to unprecedented heights.

What is the difference between the PAC's and earlier well-financed pressure groups? It lies, he says, partly in their form of organization and partly

in their formal legitimacy. Their organization enables them to tailor their efforts to specific sectional interests more precisely and more comprehensively than most of the old types of pressure groups; and, unlike many of the old types, they are organized for continuity. Thus their influence is applied more professionally, and it continues beyond elections, so that politicians are more likely to "stay bought" than hitherto. Their legitimacy frees politicians from the furtiveness which perhaps was occasionally associated with the old style of pressure or corruption.

For this scandalous evil, as it appears to Mr. Etzioni, he offers seven main remedies. Full, though voluntary, financing of congressional elections; strict control over the use of campaign funds; shortening of campaign periods, as in Britain; new curbs on lobbying; extended disclosure laws; extension from two to four years for congressmen's terms; and a substantial increase in congressional salaries.

To show that some, perhaps most, PAC's may have a corrupting influence is not difficult. But Mr. Etzioni imagines that this proves the gravamen of his case, which it does not; namely that corruption is inherent in the PAC system, and that its intensity and penetration have been raised above pre-PAC levels. As for his remedies, we may acknowledge that some of them may have merit, whether there are PAC's or not.

The quality of Mr. Etzioni's thought may be judged from the prejudice which he artlessly evinces in various contexts. Touch him at any point, and the conventional myths of American "liberalism" are displayed. The source of political evil, he thinks, is the unequal accumulation of wealth. Thus he is blinded to the nature of the most powerful corrupting group of our times, namely the "poor"; by which I do not mean that the poor themselves set out to corrupt or consciously do so. That is done by those who proclaim themselves to be the champions and benefactors of the poor, seeking power by climbing on the backs of the poor. It is a corrupting power even greater than that of the labor unions, possibly the second greatest, of which Mr. Etzioni is only faintly aware.

Consider the case of New York City. Boss Tweed was a great thief. But he did not bankrupt the city. In the whole long period of Tammany corruption, New York was successful, vigorous, and solvent. Compare this with the Lindsay-Beame period. Mayors Lindsay and Beame were not thieves, I believe, but they bankrupted their city. The corruptions of "welfare" for the poor and of labor union power were deadly where those of Tammany were not.

Mr. Etzioni's naiveté is most striking in his belief that America must seek again the "triumph" of the early 20th century "Progressive" era (no doubt with muck spreaders calling themselves muckrakers, and all). With President Theodore Roosevelt, Americans must inveigh against "malefactors of great wealth." The only difference will be that the calumnies and misconceptions will center upon impersonal Big Business instead of the personalized Robber Barons.

A further illustration of the quality of his thought is shown by his fulsome praise for the work of the British sociologist, the late T. H. Marshall. Marshall thought that the next progressive step from equal political status, i.e., equality before the law, and fulfilling it, was equal "socioeconomic" status, i.e., equality of wealth and income. The truth is that equal "socioeconomic" status, or rather the quest for it, is a contradiction. It destroys, not fulfills, equality before the law. It is a delusion which has humbled and impoverished Marshall's own country, but from which his countrymen are now slowly and painfully extricating themselves. cc

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As a City Upon a Hill *by Clyde Wilson*

*"A steady Patriot of the World alone,
The friend of every country—but his own."*

—George Canning

John Crewdson: *The Tarnished Door: The New Immigrants and the Transformation of America*; Times Books; New York.

Victor Ripp: *Moscow to Main Street: Among the Russian Emigrés*; Little, Brown; Boston.

Lewis A. Coser: *Refugee Scholars in America: Their Impact and Their Experiences*; Yale University Press; New Haven and London.

In 1629, during the crossing of the Atlantic, the prospective settlers of Massachusetts Bay heard a lay sermon from their chosen governor, John Winthrop. They had, he said, entered into a covenant with God. Provided the settlers kept their covenant of godliness, the colony they would found in the New World would become "as a City upon a Hill," a blessing to its inhabitants and a beacon to all mankind.

Winthrop's allusion has been a favorite reference in President Reagan's speeches, aimed at shoring up American morale and idealism. That America is a beacon to mankind and possesses a unique relation to divine favor is an idea of great comfort and appeal, and one for which there is a not-insignificant case from historical evidence. Yet there is a vast gap between what the "City upon a Hill" signified to Winthrop and the ideal invoked by Reagan. The difference, if I may express it musically, is approximately equivalent to the difference between "A Mighty Fortress Is Our God" and a rock music video. Within the gap lies most of American history.

Piety and exclusiveness were the heart of Winthrop's enterprise. Massachusetts was the retreat of that tiny

minority of the elect called to godliness. Through a complicated historical process that included the destruction in the Civil War of an older and rather different Virginian ideal, this vision came to define America. Reagan's city is essentially secular. Not only is it secularized, but it is universalized in a way that would have been incomprehensible to Winthrop. As invoked by Reagan, the beacon upon the hill incorporates the 20th-century image of America as the successful melting pot of all races, nations, and faiths, in the cauldron of common ideals. By contrast, the Puritans were not only proudly Anglo-Saxon, they did not even like non-Puritan Englishmen. For almost three centuries their descendants considered themselves the elite of the elite and the benighted Anglo-Saxons from Pennsylvania southward as hardly within the pale of humanity, much less the rest of mankind. Their beacon was for the world to be guided by; not guided to.

What would Winthrop have made of a city upon a hill which beckoned as a cornucopia of worldly opportunity rather than as a strenuous struggle for a purified commonwealth? What would he have made of a utopia whose chief glory was in melting down all distinctions, in which any Hindu or Rastafarian could become a full member simply for the easy price of a vague allegiance to an undefined concept of democracy? (Of course, it would please the President if they would also believe in and practice "free enterprise.")

I do not mean to criticize the President, who is the most sincere, decent, and sensible we have had in many a day. He is, like the rest of us, caught up in a history of which we must make the best. There is nothing in Winthrop's city which necessarily leads us to the modern America of melting pot and high living standards. Yet, it is here. Reagan's formula, even if not historically sound in its use of Winthrop (historical allusions on the hus-

tings never are), is a well-intentioned recognition of reality. America has had an astounding success, to this point, in incorporating a great variety of races, religions, and nationalities into a presumably workable society and one which has set the gauge for the world in living standards for its masses.

To an originally British (and African) base were added in the middle of the 19th century the Germans and Irish, and in the late 19th and early 20th centuries, the eastern and southern Europeans, all now proudly and patriotically American. Catholicism and Judaism have become full partners in what began as a thoroughly and consciously Protestant exercise. We have gloried in the strength of variety and weathered every crisis and strain.

The last third of the 20th century has brought the New Immigration—new presumably because it draws from parts of the world not before largely represented in the American population (Latin America and Asia), because its numbers surpass previous experience, and because a great deal of it is illegal and unassessed. Indeed, one of the characteristics of the New Immigration is that, while all sense that it is large and portentous, nobody really knows its dimensions. As Crewdson shows, no one knows or can possibly know how many foreigners have broken, are breaking, and will continue to break our laws by entering or overstaying. We have not lost control of our borders. Rather, in a sense we have lost control of our land. Responsible projections suggest that the dimensions of the New Immigration are such that within a few decades, by early in the next century, America will have a Latin American and Asian plurality and that the descendants of present U.S. citizens will be a minority.

It would seem reasonable to pose a question at this point in our history. Is the success of the melting pot something that is infinitely repeatable and expandable? One answer to this, seemingly the President's, is that of course it is. There have always been nay-sayers and prophets of doom, who have always been proved wrong. The creative, absorptive, and progressive power of American ideals and opportunities is unlimited. America will absorb the New Immigration and, as in

Clyde Wilson is editor of *The Papers of John C. Calhoun* and professor of history at the University of South Carolina.