

Contemporary Liberalism

We have seen that liberalism—at least in its classical articulation as a defense of democratic capitalism—was relentlessly criticized throughout the nineteenth and early twentieth centuries. As a result, many Europeans with a commitment to liberty and democracy sought to fuse these liberal ideals to other ideologies (such as democratic socialism) rather than to reform or recast liberalism. In America, however, liberalism remained a highly respected, if somewhat flawed, doctrine. Efforts to retain the “liberal” label and core liberal ideas while recasting the ideology to answer its critics have been, therefore, primarily an American enterprise. Such American intellectuals as John Dewey (1859–1952) and such American politicians as Franklin D. Roosevelt (1882–1945) were instrumental in redefining liberalism in the following terms. While political, social, and economic liberties are of prime importance, they are more often furthered than threatened by democratic governments. While there is no injustice in owning private property or in the inequalities of wealth that emerge under capitalism, it is desirable and fair for governments to regulate certain uses of private property and redistribute wealth. While governments must act within constitutional limitations and electoral mandates, strong and active national governments are needed to stimulate and regulate the economy and to extend liberty and equality. While social change and progress are important, they should occur through reform, not through revolution.

While classical liberalism emerged at the beginning of the industrial revolution to justify capitalism and limited government, liberals acknowledged many problems with unfettered capitalism as industrialism matured. The seeds for the emergence of “reform liberalism” were sown as early as 1848, when John Stuart Mill suggested (in *Principles of Political Economy*) that goods should be produced and exchanged according to capitalist principles, but that governments could play a role in distributing (or redistributing) these goods in a more equal manner. But it was not until the twentieth century that reform liberalism emerged as a coherent ideology committed to reforming capitalism,

extending democracy, enhancing the role of government, and developing more egalitarian theories of justice.

The idea of reforming capitalism is like a two-edged sword. On the one hand, reforming capitalism involves a fundamental commitment to capitalism. Like classical liberals, contemporary liberals believe that the good life requires material prosperity that can best be attained through a capitalist economy. By promoting steady economic growth and facilitating business interests, contemporary liberals are sometimes seen as advocating "corporate liberalism."¹ On the other hand, reforming capitalism involves commitments that are often regarded as hostile to capitalism. For example, because they wish to impose regulations on businesses and to enlarge welfare rights, contemporary liberals are sometimes regarded as "welfare-state liberals." These two tendencies within contemporary liberalism have led to extensive debate and some confusion regarding its political principles, but Theodore Lowi has suggested that contemporary liberals have sought to resolve these tensions by becoming "interest-group liberals."² Such liberals regard the demands of most groups in society as sufficiently legitimate to warrant a positive governmental response: If businesses face bankruptcy, then liberal governments should provide subsidies that bail them out of their financial difficulties. If the wealthy need encouragement to invest in new economic enterprises, then liberal governments should provide appropriate tax incentives. If labor needs safer working conditions, liberal governments should regulate the workplace. If minorities are discriminated against, liberal governments should enact and enforce civil rights legislation. If the poor need better health care, liberal governments should improve their access to medical services. Such examples could be multiplied endlessly. While contemporary liberals seldom identify themselves as "interest-group liberals," they have evolved principles and policies that they hope appeal to corporate leaders, welfare recipients, minorities, and many other groups and interests within society.

"Reform liberalism," "corporate liberalism," "welfare-state liberalism," and "interest-group liberalism" are thus the main designations applied to contemporary liberalism to differentiate it from classical liberalism. In this chapter, we try to describe contemporary liberalism in a way that recognizes these different emphases. This requires that contemporary liberalism be viewed as more pragmatic than philosophical. Its political principles reflect the problems that liberals hope to address rather than specific philosophical assumptions about the nature of the universe, humans, society, and knowledge. Accordingly, we defer our consideration of the (often implicit) philosophical foundations of contemporary liberalism until after we have described the political bases of the ideology and its political principles.

¹James Weinstein, *The Corporate Ideal and the Liberal State* (Boston: Beacon Press, 1966); and R. Jeffrey Lustig, *Corporate Liberalism* (Berkeley: University of California Press, 1982).

²Lowi is a contemporary American political scientist. In this and subsequent chapters, persons who are identified without dates of birth and death should be regarded as contemporaries. Lowi's most well-known book is *The End of Liberalism: The Second Republic of the United States* (New York: W. W. Norton, 1979).

THE POLITICAL BASES

Problems

Classical liberals were preoccupied with problems arising out of medieval life: inadequate social mobility, restrictions on economic activity, political absolutism, and religious orientation and conformity. Such problems receded in importance as capitalist economies and representative, secular democracies were developed in the industrializing nations of the West. By the end of the nineteenth century, liberals in the United States, England, and France had succeeded in eliminating the vestiges of feudalism and in establishing liberal institutions. Thus, their attention turned to resolving the problems that occur within liberal societies having capitalist economies and democratic institutions and to defending liberal societies from their external enemies.

Liberals have come to recognize that the benefits of capitalism—for example, its capacity to promote economic freedom and material prosperity—are partially offset by certain problems. If complete freedom is allowed in the marketplace, a number of **market failures** occur.³ First, it was apparent by the end of the nineteenth century that an unregulated marketplace can result in concentrations of economic power that undermine economic competition, increasing the exploitive capability of corporate giants and reducing their incentive to become economically efficient. In America, capitalists like John D. Rockefeller (1839–1937) and J. P. Morgan (1837–1913) were able to squeeze competitors out of their industries, establishing monopolies and oligopolies which dominated such markets as oil and railroads. Second, liberals (as well as Marxists) realize that an uncontrolled market economy exhibits business cycles producing economic inefficiency and insecurity. During periods of economic growth, the price of goods often rise in an inflationary manner and the values of currencies and savings are reduced. During periods of economic stagnation—such as the worldwide depression that occurred during the 1930s—many workers become unemployed and are thrown into poverty. Third, liberals realize that the self-interested actions of participants in the marketplace often create externalities harming the broader public. The tendency of industries to reduce their costs of production by dumping their waste by-products into rivers, into the air, or underground—spoiling the environment and causing public health problems—illustrates the externality problem. Fourth, liberals understand that pure market systems are unable to provide many beneficial services—or public goods—such as national defense, education for the poor, universal immunization against contagious diseases, and mass transportation. Fifth, liberals recognize that the wealth created by a capitalist economy is not distributed to everyone. Some people—the very young, the very old, the severely handicapped, and so forth—cannot participate in a market

³For a further discussion of market failures, see Alan Stone, "Justifying Regulation," in *The Liberal Future in America*, edited by Philip Abbot and Michael B. Levy (Westport, Conn.: Greenwood Press, 1985), pp. 102–126.

economy. Other people who are capable of economic productivity may become unemployed during depressions and recessions. While liberals do not usually regard economic inequality as a problem, they do regard poverty as a problem.⁴ When people live in poverty, they are unlikely to acquire the education and skills necessary to become productive, they are likely to be a source of other social problems (like crime), and their freedoms and opportunities for intellectual and moral development are limited. In the section on governmental authority, below, we will discuss how liberals would use the power of the state to address these market failures.

Liberals have also come to realize that the decline in the importance of ascribed social status (a major feature of feudal social systems) did not eliminate all problems of social mobility. According to classical liberals, individuals should have an equal opportunity to employ their talents and energies to advance themselves socially and economically. However, many people have been denied equal access to jobs, education, housing, and public accommodations because of their race, ethnicity, gender, sexual preferences, and so forth. During the early stages of the civil rights movement, liberals sought to eliminate explicit discriminatory laws (such as those creating racially segregated schools) and practices (such as when realtors "redline" white neighborhoods and discourage black home ownership in such areas). Formal equal opportunity has been furthered by the passage of laws forbidding such discrimination, but liberals recognize that the historical legacies of racism, sexism, and homophobia continue to constrain the upward mobility of minorities, women, and gays. Liberals also recognize that certain cultural values and traditional practices constitute subtle forms of discrimination. For example, the use of standardized tests to determine admission to universities appears to disadvantage minority students, and promoting people at work on the basis of continuous years of employment seems to discriminate against women who temporarily interrupt their careers to raise children. Thus, contemporary liberals are concerned with detecting and changing all social norms and practices that constitute significant barriers for those whose equal opportunity to achieve upward social mobility has been constrained by historical and continuing discrimination.

Although contemporary liberals have focused on such economic and social problems, they have not forgotten the main problem that concerned classical liberals: providing security for citizens. Contemporary liberals have recognized many international threats to security and have thus endorsed the state's maintenance of military power that is sufficient to deter potential aggressors. Liberals like George Kennan created the policy of containment to check communist expansion. And liberals like Robert McNamara sought a "second-strike" capability to deter nuclear attacks on liberal democracies. When liberals believed that American security and national interests were threatened by the Axis powers during World War II and by a communist regime in North Vietnam, they endorsed military action. Liberals have also recognized many domestic threats to security and have called on governments to declare war against organized crime and drug dealers and to enact gun control legislation.

⁴Paul Starr, "Liberalism After Socialism," *The American Prospect* (fall 1991), pp. 79–80.

Various market failures, various forms of discrimination, and various security threats are only the most persistent problems faced by contemporary liberals. The problems on the liberal agenda are always changing. Indeed, liberals have recognized that some of their "solutions" to the problems of previous decades have created new problems. For example, "**neoliberals**" have come to believe that there is currently a problem of excessive governmental regulation of business.⁵ While some governmental regulations have reduced certain externality problems, other regulations have emerged that serve the interests of regulated industries (rather than the public interest). Additionally, the costs of implementing and ensuring compliance with many regulations have made it difficult for regulated industries to compete in the international marketplace. Neoliberals also believe that some policies to further equal opportunity can lead to other problems. For example, forced busing of schoolchildren can cause "white flight" out of school districts, leaving the formally desegregated schools to serve predominantly minority populations. Liberal perceptions about threats to security have also changed. During the course of the war in Vietnam, many liberals concluded that American democracy was more threatened by the military-industrial complex than by the threat of communism posed by the Viet Cong and North Vietnamese. The breakup of the Soviet Union and the Russian embrace of economic and political reforms have convinced many liberals that American security is less threatened by communist aggression than by the economic might of such powers as Japan and a unified Germany. As a result, American liberals today are more likely to emphasize policies to "reindustrialize" the U.S. economy than policies to arm America. However, such changes in the agenda of issues concerning liberals have had little impact on the central principles of contemporary liberalism. Most importantly, contemporary liberals have viewed strong governmental authority as essential to solving these changing problems. While classical liberals thought that barriers to economic prosperity, individual liberty, and social mobility could best be overcome by allowing people to act within a free market having minimal governmental supervision, contemporary liberals believe that such barriers can best be overcome by positive action on the part of government.

Goals

Contemporary liberals do not repudiate the goals of classical liberals, but they give somewhat different interpretations to the ideals of enhancing liberty, sustaining capitalism, promoting constitutional democracies, and creating a science of politics.

⁵Charles Peters, "The Neoliberal Manifesto," *The Washington Monthly* (May 1983). Morton Kondracke coined the term "neoliberalism" to designate a movement that emerged after the Reagan defeat of Jimmy Carter in 1980. This movement sought to reorient liberalism by moving it away from its preoccupation with solving the problems of the poor and minorities and toward solving economic problems of business. Leading neoliberal intellectuals include Lester Thurow, James Fallows, and Robert Reich. Leading neoliberal politicians include Gary Hart, Paul Tsongas, Bill Bradley, Richard Gephardt, Bruce Babbett, Albert Gore, Jr., and (arguably) Bill Clinton. See Randall Rothenberg, *The Neoliberals* (New York: Simon and Schuster, 1984).

Classical liberals sought to secure individual freedom. Believing that liberty was the right to do as one willed, they thought liberty was something that was given to people at birth but could be taken away from people by others. Coercive governments and oppressive majorities were regarded as the major threats to people's natural liberties, and classical liberals wanted to restrain such threats to liberty. According to T. H. Green (1836–1882), a British philosopher who is regarded as one of the founders of reform (or contemporary) liberalism, classical liberals were preoccupied with **negative liberty**. For them, liberty was the absence of restraint. Liberty was being left alone.

Contemporary liberals have sought what Green called **positive liberty**. Such liberty is not something given to people equally at birth, but is something that people may acquire as they mature, especially if they live in environments that facilitate the capacity to make real choices. Liberty is more than being left alone; it is the capacity to make choices that enhance one's ability to live in accordance with one's own conception of the good life. If left alone, a poor, ignorant, or ill child has few real choices. Such a child may wish to become a doctor, lawyer, or scientist, but is not really free to pursue such aspirations, given the formidable obstacles. Positive liberty occurs as these obstacles to individual choices are reduced or eliminated.⁶

⁶An important analysis of negative and positive liberty is provided by Isaiah Berlin in *Four Essays on Liberty* (London: Oxford University Press, 1969), pp. 118–172.

Sidebar 8-1

Some Contemporary Liberals and their Main Writings

T. H. Green (1836–1882)
*Lectures on the Principles of Political
Obligation* (1879–1880)

John Dewey (1859–1952)
The Public and Its Problems (1927)
Liberalism and Social Action (1935)

John Maynard Keynes (1883–1946)
*General Theory of Employment,
Interest, and Money* (1936)

Karl Popper*
The Open Society and Its Enemies
(1945)

John Kenneth Galbraith*
The Affluent Society (1958)
Economics and the Public Purpose
(1973)

Robert Dahl*
Who Governs? (1961)
Democracy and Its Critics (1989)

John Rawls*
A Theory of Justice (1971)
Political Liberalism (1993)

Martin Luther King, Jr. (1929–1968)
Why We Can't Wait (1963)

Ronald Dworkin*
Taking Rights Seriously (1977)
Law's Empire (1986)

Robert Reich*
The Next American Frontier (1983)
*The Work of Nations: Preparing
Ourselves for the 21st Century*
(1991)

*Living author.

There are four important implications of endorsing positive liberty. First, while classical liberals thought that liberties were equally distributed, contemporary liberals understand that there are differences in the amount of positive liberty that an individual can enjoy in the course of a lifetime and that there are inequalities in the amounts of positive liberty enjoyed by different individuals. Second, the amount of positive liberty that persons have depends on their intellectual, moral, and spiritual development. More mature people make choices that contribute positively to their own life plans. Third, the amount of positive liberty that people have is also dependent on their external environments. If people are surrounded by poverty, racism, disease, and other environmental constraints, freedom of choice is restricted. In such circumstances, people are likely to be preoccupied with fulfilling their minimal economic and security needs, and the choice of developing themselves intellectually, morally, and spiritually will be foreclosed to them. Fourth, by promoting the health, education, and welfare of its citizens, governments can play important roles in overcoming environmental restraints to real choices and individual development.

Contemporary liberals usually assert that societies, acting through their governments, have not only the capacity but also the obligation to further positive liberty. Such obligations are expressed as **citizen (or welfare) rights**. Rather than seeking natural rights, contemporary liberals seek a steady expansion of citizen entitlements through the mechanisms and policies of the state. Liberals assert that students have a right to an education, and many liberals claim that the education provided for poor and minority students by governments must be equal to that provided for affluent white students. Liberals assert that all citizens have the right to be protected from certain health hazards and that governments should provide such basic health services as immunizations, sanitation, and access to doctors through public health clinics; increasingly, liberals seek expansion of citizen rights in this area by calling for national health insurance. Liberals assert that the poor have a right to various forms of welfare—such as food stamps and subsidized housing—and many liberals want to expand such welfare provisions by increasing cash-transfer payments to the needy. While contemporary liberals debate among themselves the content and extensiveness of various citizen rights, they agree that governments are the appropriate vehicles by which societies can extend citizen rights in order to facilitate the positive liberty of all citizens.

Classical liberals sought to develop a mature capitalist economy in order to produce material prosperity and enhance negative liberty. Developing a capitalist economy meant unleashing people's productive capacities and allowing them to trade, work, invest, and consume as they wished, constrained only by the private and social contracts to which they had agreed. Contemporary liberals want to retain capitalism (because they, too, value prosperity and economic liberties), but they want to reform capitalism in order to minimize market failures, to spread the wealth more broadly, and to enhance the positive liberty of all citizens.

Contemporary liberals want *steady* economic growth; they want to prevent both economic stagnation and excessive or erratic growth. They recognize that

economic stagnation throws people into poverty, makes them preoccupied with satisfying economic and security needs, and limits their real choices for personal development. They believe that some growth is needed in order to provide new economic opportunities and progress and to provide additional revenues for financing governmental expansion of citizen rights. And they believe that economic development is a prerequisite for the attainment of stable liberal democracies in many less-developed nations around the world.⁷ However, contemporary liberals also recognize that such economic growth can become excessive and costly. Rapid economic growth involves vast changes in where and how people work. Rapid growth uproots people from their communities. It redistributes income and wealth, creating the *nouveaux riches* but also the "*nouveaux pauvres*" ("newly poor"). Indeed, there may be more losers than gainers from rapid growth, at least in relative terms. As a result, rapid growth can breed widespread social discontent, threatening social stability.⁸ Unregulated rapid growth can also erode the natural environment, resulting in aesthetic losses and health dangers. Given the dangers of economic stagnation and of rapid growth, contemporary liberals hope to achieve steady, slow, managed growth through macro-level social planning rather than micromanagement of the economy. A major goal of liberal governments is to design policies that provide opportunities for and impose constraints on private individuals and firms which prompt them to make those economic choices that result in a steady economic expansion.

Classical liberals wanted to develop constitutional democracies in order to protect the citizens' economic, social, and political liberties. Contemporary liberals want to retain—and reform—constitutional democracies. Two types of reforms have been particularly sought. First, contemporary liberals have sought a steady increase in the representativeness of democracies, bringing previously excluded groups such as minorities and women to the voting booths and into governmental offices. Because liberals have become increasingly skeptical that "neutral" experts can determine those policies that best serve the public interest and justice, they have concluded that the policy-making process must be open to those of all viewpoints and interests. Achieving more representative electorates and governing bodies has been sought as a means of getting the problems of underrepresented groups on the policy agenda and of enacting policies more responsive to their needs. Second, contemporary liberals have understood that constitutional restraints on the powers of government should not prevent democracies from actively seeking to solve social and economic problems. They have denounced the "deadlock of democracy" produced by the separation of powers and divided government, and have urged strong roles for extraconstitutional organizations (like political parties) in order to integrate and lubricate government. They have urged executives, legislators, and judges to interpret constitutional constraints liber-

⁷Daniel Lerner, *The Passing of the Traditional Society* (Glencoe, Ill.: Free Press, 1959).

⁸Mancur Olson, "Rapid Growth as a Destabilizing Force," *Journal of Economic History* 23 (1963), p. 529.

ally and adopt "activist" problem-solving styles. In short, contemporary liberals have argued that constitutional limitations are intended to restrain capricious and tyrannical government, but they should not be allowed to produce weak and passive government. Because social and economic problems change with the times, constitutions must be reinterpreted over time so as to achieve the flexibility to solve contemporary problems.

Finally, contemporary liberals seek government that operates in a scientific fashion, but their understanding of scientific politics differs from that of classical liberals. Classical liberals sought a scientific theory of politics in which general principles of government were deduced from self-evident philosophical assumptions. However, contemporary liberals believe that the principles of classical liberalism—the desirability of an unregulated market, the inviolability of property rights, the prohibition against legislating morality, and so forth—are too dogmatic, and they doubt that solutions to problems can be deduced from a set of principles that are themselves deduced from assumptions about the nature of the universe, humans, society, and knowledge. No principles—not even liberal principles—can always provide appropriate guidance to policy making. Contemporary liberals prefer to apply the scientific method to analyses of social and economic problems. As suggested by John Dewey, problem solving and policy making are pragmatic sciences, and problems should be solved by "organized intelligence."⁹ Innovative solutions to problems must be continually entertained by the democratic community. Reforms must be tried and tested. The best solution to a problem can only be known experimentally. What works? What policies are effective? What policies produce the most desirable consequences while having the fewest adverse affects and costs? Just as scientific inquiry should never be blocked, the door to social and policy change must never be closed. For contemporary liberals, scientific politics means having the democratic community apply its collective and evolving intelligence to changing social problems, pursuing reforms as experiments in better living, evaluating these reforms in terms of their effectiveness, and continuing this process of discovery, experimentation, and evaluation in an endless political process in pursuit of social improvement.

SUBSTANTIVE POLITICAL PRINCIPLES

Authority

Contemporary liberals agree with classical liberals that individuals must be protected from excessive governmental authority, as governmental absolutism and arbitrariness must be restrained in order to protect such individual rights

⁹John Dewey, *Liberalism and Social Action* (New York: Capricorn, 1935), p. 51. Because Dewey doubted that experts monopolized understanding of the best answers to social problems, he insisted that liberal planning and problem solving must be democratic. For discussions of Dewey's contribution to democratic liberalism, see Thomas Thorson, *The Logic of Democracy* (New York: Holt, Rinehart, and Winston, 1962); and Paul Starr, "Liberalism After Socialism," p. 76.

as the freedoms of religion, speech, and assembly. But compared to classical liberals, contemporary liberals endorse a much more expanded role for governmental authority. Governments should expand citizen rights so that everyone can maximize his or her positive liberty. Governments should enact and implement policies that provide steady, well-managed economic growth. Governments should employ the scientific method and organized intelligence to solve economic, social, environmental, and security problems.

In order to solve such problems and achieve liberal goals, governments must first ascertain what the significant social problems are and determine the gaps between liberal goals and existing conditions. To aid in problem identification, liberal governments employ a variety of **economic and social indicators**. Particular attention is given to monthly reports on the levels of unemployment, inflation, growth, and other measures of economic activity. Attention is also given to the inequalities of opportunity and condition between, for example, blacks and whites, or men and women. What percentages of black students and of white students are dropping out of school? What percentages of those earning Ph.D.s are minorities and women? Such indicators also assess changes and trends in such areas as the spread of the HIV virus and other diseases, the levels of violent crimes, and the concentrations of dangerous pollutants in the ozone layer and other aspects of environmental deterioration.¹⁰ Implicit in the collection of all this data is the liberal view that governments should respond to adverse changes in economic, social, and environmental conditions.

Liberals do not, however, expect governments to solve indicated problems through enactment of omnipotent laws or the institution of omnipotent programs. If inflation is high, liberals seldom call for mandatory wage and price controls. If unemployment is high, liberals seldom call on government to be the employer of last resort for the unemployed. Liberals recognize that governments work within market economies and pluralist societies that vitiate the possibility and effectiveness of such authoritative approaches. Thus, liberals are satisfied with modifying the laws and circumstances under which individuals, business firms, and other groups and organizations act. Rather than imposing price controls, liberal governments seek to reduce inflationary pressures by reducing the supply of money and reducing consumer demand. Rather than requiring businesses to hire more workers or invest more money in capital improvements, liberal governments attempt to devise circumstances under which firms will choose to hire more workers and to invest because it is profitable for them to do so.¹¹ In short, liberals do not want governments that seek to solve problems by micromanaging and strongly controlling economic and social life. Instead, they want governments that engage in **macro-**

¹⁰Many of these indicators are provided by Lester R. Brown, Hal Kane, and David Malin Boodman, *Vital Signs* (Washington, D.C.: Worldwatch Institute, 1994).

¹¹See Robert Reich, *The Next American Frontier* (New York: Times Books, 1983) for a discussion of neoliberal industrial policy. For example, contemporary liberals have proposed a governmentally funded "Innovation Finance Corporation" to increase the availability of capital and absorb some of the risk of investment in high-tech industries.

level planning and produce a broad framework of laws, programs, and conditions that induce individuals and organizations to act in ways that reduce problems. Like classical liberals, they want to honor the existence of a private sphere, permitting individuals to make free choices regarding their economic and social aspirations. However, unlike classical liberals, contemporary liberals believe that public authority can be employed effectively to induce people to make choices that serve to realize public goals.

Contemporary liberals increasingly recognize the difficulty of maintaining a firm distinction between the private and public spheres of life. While liberals want to preserve an extensive private sphere where individuals can pursue the good life as they understand it and where government is neutral about moral values, they also have come to recognize that some social problems can only be addressed by using governmental authority to promote certain moral positions. According to William Galston, classical liberals sought governmental neutrality on moral questions because they understood that civic peace required governmental toleration of different religious traditions and because they could assume the universal acceptance of such virtues as self-denial, industry, tolerance, and civility.¹² However, in contemporary liberal societies, such private virtues, which are necessary to maintain a liberal society, seem to be disappearing due to the rise of unlimited self-expression. As a consequence, liberal governments may find it necessary to promote certain moral values.¹³

One set of moral values long fostered by liberal authority revolves around the desirability of nondiscrimination on the basis of race, gender, and other ascriptive traits. If governments were indeed neutral, prejudiced individuals could, of course, refuse to do business with anyone they wished. However, liberals recognize that the refusal to hire women because of their sex or to sell property to blacks because of their race constitutes a significant social problem, and they have enacted and enforced laws legislating a morality of nondiscrimination.

Because liberals currently recognize such epidemic problems as pornography, drug and alcohol abuse, family breakdown, and teenage pregnancy, they debate among themselves the role of government in regulating morality. Do the increasing levels of pornography constitute a social problem requiring governmental regulation? From one liberal viewpoint, the producers and consumers of pornography are acting as consenting adults acting in the private sphere, and their actions harm no one. From another liberal viewpoint, pornography involves the exploitation of such people. Should governments prohibit or regulate the sale of drugs and alcohol? While some liberals would argue that government has no right to infringe on such private choices, most liberals endorse varying degrees of governmental control. On what is perhaps today's most passionate moral issue, many liberals seem to endorse the moderate position of instituting some governmental regulations on abortions rather

¹²William Galston, "Liberalism and Public Morality," in *Liberals on Liberalism*, edited by Alfonso J. Damico (Totowa, N.J.: Rowman and Littlefield, 1986), p. 131.

¹³Thomas Spragens, "Reconstructing Liberal Theory," in *Liberals on Liberalism*, pp. 34-53.

than the extreme of "outlawing abortions" or of permitting "abortion on demand." By endorsing laws such as those restricting abortions after the first trimester or providing for a mandatory waiting period or requiring parental consent before allowing minors to receive abortions, liberals can acknowledge their moral reservations about abortions. But liberals have similar reservations about using governmental authority to deprive individuals of their rights to make important choices on matters that fundamentally concern only the individual.¹⁴

While contemporary liberals have reluctantly endorsed some governmental intervention in areas concerning moral freedom, they have more enthusiastically endorsed governmental intervention in economic life. They point out that America's economic competitors (such as Japan and Germany) have succeeded by increasing, rather than reducing, governmental intervention in business.¹⁵ Viewing various market failures as serious problems, contemporary liberals have called for a **mixed economy** in which governments augment, stimulate, and regulate the activities of firms, workers, and consumers. But just as liberals want to retain extensive moral choice for individuals, so do they want to retain extensive economic freedom. Contemporary liberals want governments to shape the free market, not abolish it.

In dealing with the problem of concentrations of economic power that undermine competition in the marketplace, liberals do not prohibit all mergers or the establishment of any monopoly. Instead, they enact laws prohibiting certain "corrupt practices" (such as price-fixing), they create **antitrust agencies** (such as exist within the U.S. Department of Justice) to scrutinize proposed mergers for their effects on competition within an industry, and they establish public agencies (usually at the state level) to regulate such natural monopolies as utilities (providing natural gas, electricity, and so forth).

Liberals have developed a variety of programs to cushion the losses and limit the insecurities that occur during the recessions and depressions that characterize a market economy, when many companies go out of business and workers become unemployed. Investors' insurance programs (such as that of the Federal Depositors Insurance Corporation, FDIC) and social insurance programs (such as unemployment insurance) have been created to protect key industries and most workers. Liberals have also been willing to provide "bailouts"—usually consisting of subsidies and low-interest loans—to major employers (like Chrysler) and defense contractors (like Lockheed) when these companies faced bankruptcy.¹⁶

More generally, to deal with the problems associated with business cycles, liberals employ the **fiscal policies** developed by John Maynard Keynes

¹⁴See Mary Ann Glendon, *Abortion and Divorce in Western Law* (Cambridge: Harvard University Press, 1987), and Richard Flathman, *Toward a Liberalism* (Ithaca, N.Y.: Cornell University Press, 1992), pp. 168–205.

¹⁵Lester Thurow, *The Zero Sum Society* (New York: Penguin Books, 1980).

¹⁶In *The End of Liberalism*, Lowi argues that liberal governments are preoccupied with reducing economic risks. He claims that such governments maintain the position that any institution that is a significant factor in the community must have its security underwritten.

(1883–1946). When economic indicators point to low levels of economic growth (and high levels of unemployment), liberals believe that the economy ought to be stimulated in either of two basic ways. First, governmental expenditures can be increased—for example, by building roads, dams, or other public works, by subsidizing corporate investments in new capital improvements, or by increasing social insurance payments to the unemployed (and liberals will debate among themselves the best ways of investing the public funds to stimulate the economy). Second, taxes can be reduced (and liberals will also debate among themselves the most effective and fair way of reducing taxes). Either increased governmental expenditures or reduced taxes are expected to “pump-prime” the economy by making additional money available to workers and employers. With more money available to them, workers and employers should increase consumption and investment. Such consumption and investment should, in turn, provide job opportunities for other workers and investment opportunities for other businesses. This continual process of increased employment, consumption, and investment is expected to produce what economists call a “multiplier effect,” stimulating the economy out of recession or depression.

When economic indicators point to an “overheated economy”—one of excessive growth and inflation—Keynesian fiscal policies call for reduced governmental expenditures and/or increased taxes. Such policies should reduce consumption and investment, increase unemployment, restrain price and wage increases, and thus reduce inflation.

Keynes expected that economies would become overheated as often as they became stagnated and that governments would thus reduce expenditures and/or increase taxes as often as they increased expenditures and/or reduced taxes. Keynesian fiscal policies thus imply that the budget deficits that occur when governments stimulate depressed economies would be offset by the budget surpluses that could be attained when governments put the brakes to overstimulated economies; over time, governmental budgets would thereby balance. However, reducing governmental expenditures and increasing taxes—even in highly inflationary times—has proved difficult, as liberals believe that most governmental expenditures address important problems and that the public will inevitably resist higher taxes.

For the most part, liberals have sought to deal with the problem of **budget deficits** in three ways. First, they have sought increased governmental revenues through economic growth. As incomes rise, income taxes rise, especially if tax structures are progressive and people must pay higher proportions of their incomes in taxes as they move into higher tax brackets. And as investments rise, wealth is created in such forms as new factories and machinery, new homes, and new automobiles—all of which can be subject to such revenue-producing policies as property taxes. Second, liberals have supported the increase of taxes that target those who can most afford to pay such taxes (e.g., by increasing income tax rates on the wealthy or by imposing luxury taxes on the purchase of such things as expensive cars and yachts). Liberals have also supported increased taxes as a means of addressing other problems (e.g., by increasing gasoline taxes in order to encourage conservation and/or reduce

dependence on foreign oil producers). Third, liberals have sought to reduce governmental spending in specific areas where problems are no longer pressing. Thus, during times of peace and reduced international tensions, liberals have often called for cuts in the military budget.

Liberals also believe that governmental authority should be used to deal with the problem of **externalities**. Externalities occur when people produce goods or undertake transactions in ways that are beneficial to them but that hurt (or externalize costs upon) nonparticipating third parties or the public

Sidebar 8-2

The Tax Burden in Liberal Societies

Liberal Democrats in the U.S. Congress have often been accused of pursuing policies of "tax, tax, and spend, spend." However, the unpopularity of tax increases has made liberal politicians less enthusiastic about new taxes than are liberal economists. Liberal economists support higher taxes to pay for public investments in both the physical

infrastructure (e.g., roads and airports) and the social infrastructure (e.g., education and health care) and to reduce the size of the federal deficit. Such economists point out that, compared with other advanced liberal democracies, public spending and taxation is relatively low in the United States, as shown in the following table.

Taxes and Social Security Payments as a Percentage of GNP

	1976		1986	
	Percentage	Rank	Percentage	Rank
Denmark	48	4	63	1
Sweden	54	2	62	2
Norway	56	1	57	3
France	44	8	51	4
Netherlands	48	3	50	5
Austria	45	6	50	6
Belgium	45	7	49	7
Germany (Fed. Rep.)	46	5	45	8
Britain	39	10	44	9
Finland	42	9	44	10
Greece	30	15	41	11
Canada	36	11	39	12
Italy	28	16	38	13
Australia	32	13	37	14
Spain	23	16	35	15
Switzerland	32	12	33	16
United States	30	14	31	17
Japan	23	15	31	18

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at large. For example, in order to lower their costs of production (and hence make their products more attractive to consumers), industries can discharge their waste by-products into the environment. If effluent from a paper mill is dumped into a river, the costs of cleaning and treating the water may have to be borne by those living downstream. As another example, landowners in neighborhoods of single-family homes may wish to sell their properties to developers seeking to build apartments or businesses there. While such sales may be profitable for both the landowners and the developers, nearby residents are likely to believe that their property values and the quality of their neighborhoods will decline as a result. To protect the interests of those adversely affected by such externalities, liberals seek to regulate the problematic activities. Polluters may be required to cut their emissions to a certain level by a particular date. Zoning controls may be (and often have been) employed to protect neighborhoods from the harmful effects of unrestricted development. In general, liberals have endorsed many such regulations of economic activity in order to protect the health and welfare of the broader public.¹⁷

Contemporary liberals also want governments to address the problem that the market does not adequately provide **public goods**. A "public good" is something with benefits that are (at least, to a degree) indivisible. The classic example of a public good is national defense. National defense is "indivisible" because when some citizens are provided national defense, all are provided national defense. There is a problem in providing public goods in the marketplace without governmental involvement. Because everyone gets the benefit from the provision of public goods, whether or not he or she pays for them, it is rational for everyone to choose not to pay for them, hoping that he or she will get the benefits anyway because others will pay. In other words, when it comes to the provision of public goods, the economically self-interested person will want to be a "free rider." Because liberals assume that people are self-interested, they recognize that public goods will not be provided adequately in a pure market economy. Potential suppliers of public goods cannot attract buyers of such goods, because potential buyers hope to consume the goods as free riders. Liberals argue that the adequate provision of public goods requires that governments supply such goods and, by imposing mandatory taxes, ensure that everyone pays.

Foremost among these public goods is, of course, an adequate national defense. American liberals have endorsed military budgets of about \$300 billion annually, to enable the military to employ and train over three million soldiers to protect American security interests, and to procure new weapons that are believed necessary to protect all Americans from nuclear attack and to equip American soldiers in ways that maximize their effectiveness and safety. Liberal economists like John Kenneth Galbraith also stress that there are many domestic goods and services that, although highly valued, are underproduced

¹⁷According to Karl Polanyi, "regulations and markets, in effect, grew up together." See Polanyi, *The Great Transformation: The Political and Economic Origins of Our Time* (Boston: Beacon Press, 1944), p. 68.

by the market, because some of their benefits are indivisible. For example, human resources need to be developed and protected through increased governmental investment in education, job training, public health, public safety, and so forth. As another example, the country's physical infrastructure needs to be enhanced and renewed through increased governmental spending on transportation systems, on housing, on waste-disposal systems, and on other capital improvements that facilitate both human development and business. As a further example, scientific and technological progress in many areas—from cures for cancer and AIDS to more efficient means of building cars—needs to be encouraged through governmental subsidies of research and development.¹⁸

Finally, liberals recognize the need for governments to assist those who cannot participate in the market economy. In contrast with conservatives, liberals are unlikely to believe that the poor are lazy, or that the problem of poverty could be solved if everyone would simply “get off the public dole and get a job.” First, liberals argue that many of the poor cannot work or that they already work at poorly paying jobs. Many of the poor are children, or single parents (usually mothers of small children), or the handicapped or disabled. Second, liberals recognize that recessions and other problems with the economy can cause structural unemployment, throwing productive and willing workers out of jobs. Third, liberals recognize that many people are trapped in a “culture of poverty,” whereby they lack appropriate role models showing the kinds of skills and traits needed to succeed in a capitalist economy. As a consequence, liberals believe that governments have a variety of responsibilities toward the poor. Welfare payments—such as Aid to Families with Dependent Children (AFDC)—must be provided to those who cannot work. Persons who lose their jobs should be provided unemployment benefits and opportunities for retraining. And the culture of poverty needs to be attacked by a variety of social reform measures that teach the poor about economic opportunities and ensure that these opportunities are genuinely available to them. Educational opportunities must be expanded and improved, particularly for the very young. The conditions of crime and disease that pervade the slums and ghettos must be eradicated and replaced by safe and sanitary housing conditions. Racial discrimination that closes the doors to blacks and other minorities must be eliminated, as must other forms of discrimination. There must be public provision of minimal needs in the areas of nutrition and shelter through such welfare programs as food stamps, free school lunches, and subsidized housing. In short, liberals believe that capitalism is partly, but not solely, responsible for the problem of poverty. Abolishing capitalism would probably increase, rather than reduce, the extent of poverty, but maintaining a purely capitalist economy would result in a failure to respond to the needs of the poor. Nor can private charity be a reliable and efficient means of responding to the needs of the poor. For the contemporary liberal, governments have extensive responsibilities toward the poor.

¹⁸John Kenneth Galbraith, *The Affluent Society* (Boston: Houghton Mifflin, 1958).

Justice

In 1975, Arthur M. Okun, who chaired Lyndon Johnson's Council of Economic Advisors during the development of the "great society," wrote a book, *Equality and Efficiency: The Big Tradeoff*, that captures the views of contemporary liberals regarding justice.¹⁹ Like classical liberals, Okun stressed capitalism's efficiency. The market system encourages investors and laborers to use their resources and energies productively, and individual effort is stimulated by the unequal distribution of rewards in capitalism. The result is that capitalism produces an ever-expanding economic pie and a higher standard of living than alternative systems. Capitalism thus accords with utilitarian ideals of justice, because it increases the aggregate wealth of society and the average level of economic well-being of the individuals constituting society. Like socialists, however, Okun lamented the inequalities of wealth—the unequal slices of pie—produced by capitalism.

Okun suggested that market justice—where each person is rewarded according to his or her contribution to the marketplace—may not be fair, for various reasons. First, the unequal rewards of the marketplace are only partly a function of the efforts that individuals expend. The talents with which people are born and the skills and assets that they acquire during their lifetimes also affect their contributions to the market and their rewards in it, but it is morally problematic that those who were born with special talents or who were raised in advantageous circumstances (e.g., those whose parents could afford to send them to the best schools) deserve to be rewarded for their good fortune. Additionally, the market rewards people on the basis of the behavior and tastes of other people. A person may train for many years to become skilled in a certain field, only to discover that there are no economic rewards there, because the market is glutted with other persons having similar skills. Or a person may spend years writing a great book that fails to sell, while a pulp novelist makes a fortune in the marketplace. Given such difficulties, it is hard to claim that the market distributes material goods justly. Second, the fairness of market justice may be rejected if societies proclaim the equal worth of all citizens and believe that everyone is entitled to certain rights whatever his or her contributions to the market. In American society, for example, commitment to pure market justice is limited by certain widely held beliefs. Everyone should have a right to one vote during elections. Everyone should have equal legal rights. Perhaps everyone should have a right to a certain level of education, to minimal nutritional requirements, to adequate health care, or to other social and economic goods. In short, people within a society may choose to recognize certain common needs of all citizens and choose to modify market distributions by having their governments provide specific "citizen rights" or entitlements to everyone.

Okun recognized that there is a **trade-off between efficiency and equal-**

¹⁹Arthur M. Okun, *Equality and Efficiency: The Big Tradeoff* (Washington, D.C.: Brookings Institution, 1975).

ity. When governments distribute the economic pie more equally by expanding citizen rights, they simultaneously reduce the size of the pie. Redistribution is costly because "more equality" must be financed by higher tax rates on upper-income citizens, which can reduce their tendency to save and invest, which can, in turn, reduce economic growth. Redistribution is also costly because the provision of more welfare rights can reduce the incentives for the poor to work. And redistribution reduces economic efficiency, because governments must absorb administrative costs as they establish and implement welfare programs. All contemporary liberals want both efficiency (increases in aggregate wealth) and more equality (through extended welfare rights) than are provided by pure capitalism. But, Okun points out, there is no generally accepted liberal principle establishing the point at which efficiency should be traded for more equality.

Some contemporary liberals argue for the need to emphasize efficiency and to provide for an expanded economic pie. This is the position of neoliberals, who argue that economic growth is vital to other liberal goals and that liberals must thus pursue policies of economic renewal and reindustrialization. Economic growth is a necessity if there is to be meaningful equal opportunity, as it is growth that provides new and better jobs. Growth enables liberals to avoid internal strife or "civil war" between those who currently have the best jobs and those who aspire to them.²⁰ Growth also is a prerequisite to expansion of citizen rights, as it generates the revenues to pay for the welfare state. As Paul Tsongas said, "If the economy is expanding, we can open our hearts to the aspirations of others, since the growth can accommodate their demands."²¹

While neoliberals emphasize efficiency over more equality, they argue that their principles should not be confused with those of some contemporary conservatives—such as those in the Reagan and Bush administrations. While such conservatives want to reduce welfare spending and taxes to increase growth, neoliberals do not wish to reduce or eliminate legitimate welfare rights. Instead, they want to use economic growth to expand citizen rights into new areas, such as national health insurance, that target the most needy members of society.

Some liberals, however, want to emphasize more equality over efficiency. To use the phrase coined by Ronald Dworkin for the title of his influential book, they endorse *Taking Rights Seriously*. Beginning with the basic assumption that all people are to be treated equally—regardless of their natural or social differences—such liberals have sought to clarify the principles and policies implied by a commitment to equal treatment. A necessary, but insufficient, condition for equal treatment is **formal equal opportunity**—the right for everyone to compete for the best and most rewarding positions in society in

²⁰Ronald Terchek, "The Fruits of Success and the Crisis of Liberalism," in *Liberals on Liberalism*, pp. 22–23.

²¹Paul Tsongas, *The Road from Here: Liberalism and Realities in the 1980s* (New York: Knopf, 1981), p. 129.

an environment where no one is disadvantaged in the competition because of his or her race, sex, or other ascribed characteristic. While laws and policies enforcing such nondiscrimination are important, they do not adequately provide for **fair equal opportunity**, because inequalities in natural talents and social circumstances provide undeserved advantages for some over others in the ensuing competition. A society that takes seriously its commitment to equal treatment will recognize that differences in natural endowments—in intelligence, in health, in physical attractiveness, and the like—are unearned. Such a society will also recognize that many differences in social circumstances—for example, whether one was raised amid the turmoil of the inner city or in the comfort and among the opportunities provided by a wealthy suburb—are also unearned. While such differences in natural endowments and social circumstances are inevitable and cannot be erased, a liberal society with a strong commitment to fair equal opportunity will attempt to reduce the effects of these differences on the ability of people to achieve their goals. How might this be done?

Through governmental “welfare” programs, liberal societies can provide certain essential goods and services, or **entitlements**, to everyone—regardless of their ability to pay. Basic nutritional and housing needs can be made available to all through such programs as food stamps and housing subsidies. Public schools can serve to guarantee the right to basic education to everyone. Public libraries allow everyone to have access to books and other educational resources. Public health centers can provide some basic medical care to all.

Liberal governments can—and have—expanded these public welfare provisions in several ways. First, compensatory programs can be made available to those who are disadvantaged or handicapped. Most public schools, for example, have developed special-education programs for students with physical handicaps and behavioral, learning, and developmental disabilities. Second, the level of public provision can be increased. For example, more generous food and housing subsidies can be provided. Third, entitlements can be extended into new areas. In the United States, for example, the idea of publicly funded child care is being proposed by many liberals as a means of extending the real job opportunities of many women.

Of course, expanding entitlements does not enhance equality if the persons who consume these goods and services are naturally well-endowed or advantaged by their social circumstances. According to neoliberals, “means-tests” should be required to ensure that the recipients of welfare are indeed among the “truly needy.”²² They want to be sure that strict needs tests are included when developing new welfare-rights policies in such areas as national health insurance and the provision of day care.

Additionally, liberal societies can regulate access to the most desirable opportunities (such as schools and jobs) in ways that make it easier for the disadvantaged to compete for them. **Affirmative action** policies begin by encouraging schools and employers to exert greater efforts to recruit African

²²Peters, “A Neoliberal’s Manifesto.”

Americans, women, and other disadvantaged groups. Stronger affirmative action policies may entail having schools and employers adopt "preferential admissions" policies, whereby lower qualification standards are used to increase admissions of members of specific disadvantaged groups. Still stronger affirmative action policies may stipulate that a certain percentage—or quota—of new positions be filled by members of disadvantaged groups. Preferential treatment and quotas have sometimes been disparaged as "reverse discrimination," because they violate the idea of formal equal opportunity—that people should not be classified by race, gender, and so forth, in ways that influence their chances for success. However, contemporary liberals often respond that such policies are necessary to achieve *fair* equal opportunity.²³ They argue that formal equal opportunity—understood as giving "equal consideration" for a desirable position to everyone with the same standardized test score—works to the advantage of those with the (undeserved) greatest natural talents or from the most advantageous social backgrounds. Such "equal consideration" results in those with lesser natural abilities or from disadvantaged backgrounds having poorer (unequal) prospects for success than their competitors. Alternatively, fair equal opportunity might mean that everyone in all socially relevant groups will have an "equal prospect" of achieving the desired position.²⁴ In this case, "equal prospect" means that those with lesser natural abilities or from disadvantaged social backgrounds will do as well as—though not better than—more advantaged people.

Liberals provide several justifications for supporting strong affirmative action policies—for supporting "equal prospects" over "equal consideration." First, affirmative action may be justified on utilitarian grounds, as providing an overall gain to the community. For example, there may currently be a greater need for black lawyers than white lawyers to serve the American system of justice, especially if black clients prefer to be represented by black attorneys and if blacks comprise only a small percentage of those in the legal profession. Second, affirmative action policies may not, in fact, involve reverse discrimination. White males have no right to equal consideration in the assignment of positions, even if they have outperformed their competitors on standardized tests, because a society can justly employ a variety of criteria when filling desired positions—including some prediction about how well various kinds of people will serve the public. It might decide, for example, that it is desirable to have more black teachers or policemen, and thus might make minority racial status, as well as test scores, relevant criteria in hiring decisions. As long as affirmative action criteria are employed impartially to specific cases, those who are disadvantaged by the criteria cannot complain of injustice.

²³Ronald Dworkin, *Taking Rights Seriously* (Cambridge: Harvard University Press, 1977), pp. 223–239.

²⁴Douglas Rae, *Equalities* (Cambridge: Harvard University Press, 1981), pp. 68–76.

Sidebar 8-3

John Rawls and His Liberal Theory of Justice

The most famous and controversial attempt to develop a liberal theory of justice is that made by John Rawls (1921–), a professor of philosophy at Harvard University. In his monumental work, *A Theory of Justice*, published in 1971, he defends two basic principles of justice. Rawls's first principle—the equal liberty principle—provides everyone with the most extensive system of equal basic liberties compatible with a similar system of liberties for all. Rawls's second principle—the difference principle—specifies when equality can be abridged (or when differences in primary social goods are acceptable) in order to attain efficiency (more aggregate goods). Inequalities in distributions of such social goods as money and power are permissible if opportunities to receive greater amounts of these goods are equally open to all, and when the resulting inequalities are to the advantage of the least advantaged.

The **equal liberty principle** is essential to Rawls's theory of justice and has been relatively uncontroversial. This principle specifies that all members of a liberal society are guaranteed equal political liberties (the right to vote, the right to seek office, and freedoms of speech and assembly), liberties of conscience (freedom of thought and of religion), property rights (e.g., the opportunity to acquire and hold personal property), and legal rights (e.g., freedom from arbitrary arrest, and the right to an impartial judge and jury). Notice that this principle does not necessarily allow for unlimited amounts of these liberties. For example, the right to vote does not mean that all members of society have the right to decide who will hold each public office (e.g.,

judges could be appointed rather than elected) or what laws should be enacted (e.g., representative democracy may be preferable to direct democracy). Instead, the equal liberty principle states that liberal societies should provide their citizens the most extensive liberties that are feasible and desirable, and when such liberties are provided—as in the case of selecting representatives to the legislature—these liberties should be provided equally to all.

Moreover, according to Rawls, the equal liberty principle takes priority over the difference principle. This means that basic equal liberties can never be sacrificed or compromised. For example, some individuals—probably the poor—may be tempted to sell their voting rights or even to sell themselves into slavery in order to acquire their minimal material needs. In order to ensure everyone's dignity, such exchanges must be banned even though they may be economically efficient and advantageous to the poor. But having banned the capacity of the poor to sell their basic liberties in order to survive, a liberal society incurs an obligation to prevent individuals from finding themselves in such desperate conditions that they would be tempted to give up their basic liberties in order to survive. The second principle is intended to achieve this goal.

The **difference principle** begins with a presumption that primary social goods—resources directly distributed by social institutions, such as income and wealth, powers and opportunities, and certain rights—are to be distributed equally unless an unequal distribution of any or all of these goods is to the advantage of the least favored. However, recognizing the trade-off between

Sidebar 8-3 (continued)

equality and efficiency, Rawls says that some departures from equal distributions are justified if they result in greater efficiencies (i.e., if they result in greater aggregate levels of primary social goods) that improve everyone's condition. For example, giving some (gifted) people a larger share of wealth in order to give them an incentive to use fully their socially useful talents and energies might ultimately help everyone and, thus, be acceptable to everyone. In short, inequalities are allowable if they add to each person's share of goods, but are disallowable if they diminish anyone's share of goods.

The difference principle specifies that in order for there to be acceptable inequalities, there must first be fair equal opportunity for all to achieve the larger shares. Formal equal opportunity is insufficient, because inequalities in natural endowments and in social circumstances unfairly privilege some individuals. An extensive system of welfare rights must be in place to ensure that everyone has equal prospects of achieving the larger shares and to ensure that the larger shares are rewards for greater-than-average efforts and responsible choices. This condition is important because it ensures that the social goods available to individuals are determined by the choices the individuals make, not by their circumstances. It is unfair for individuals to be disadvantaged or privileged by arbitrary and undeserved differences in their circumstances.

The difference principle also specifies that the resulting inequalities of primary social goods must benefit the representative person in the lowest socioeconomic class.* Although Rawls sometimes says that inequalities must be "to everyone's advantage," his con-

cern is clearly over the fate of the poor and disadvantaged.[†] Policies and programs that reduce the social goods available to the advantaged while increasing the social goods available to the disadvantaged are just, because they move society toward the preferred state of equality. In contrast, policies that increase the aggregate level of social goods, that provide fair equal opportunity to all, that increase the social goods available to the advantaged, but that decrease the social goods available to the poor, are unjust, because they move society away from the preferred state of equality.

Consider, for example, the economic policies of the Reagan administration. Reagan claimed that economic growth and, hence, aggregate social goods could be enhanced by reducing the taxes on the wealthy and eliminating various welfare programs. Moreover, he claimed that everyone would have an equal opportunity to obtain greater wealth and that the poor, as well as the wealthy, would see an improvement in their economic situations. These claims make Reagan's economic policies appear compatible with Rawlsian principles. However, such policies were not created in a context of fair equal opportunity. Clearly, the poor did not have the same opportunities as the wealthy to convert tax cuts into profitable investments. Moreover, the evidence suggests that such policies did not improve or increase the shares of the least advantaged. Studies have shown that posttax income growth during the Reagan period "was limited mainly to the 20 percent of American households with the highest incomes. Households headed by poor persons from traditionally disadvantaged groups fared less

*John Rawls, *A Theory of Justice* (Cambridge: Harvard University Press, 1971), p. 78.

†Rawls, *A Theory of Justice*, p. 303.

well. The poorest black and Hispanic households actually lost 30 to 40 percent of their incomes between 1983 and 1987."^{*}

But why should principles of justice—and thus, the social and economic policies of a society—favor the disadvantaged? In *A Theory of Justice*, Rawls employs a social contract argument to defend these liberal principles. Recall that classical liberals used the concept of a social contract to deliver humans from the state of nature into civil society and to create a government that would protect everyone's natural rights. Recognizing that the state of nature is a fiction and that individuals do not really consent to join civil society, Rawls creates an alternative to the state of nature that he calls the "original position." This is a hypothetical situation defining the ideas on which there must be consensus in order for people to conclude that their interests are served by being part of a society that bases its institutions and policies on the two principles of justice. Essentially, the "original position" specifies the foundational ideas that must be shared in order for each person to enter voluntarily into a liberal society governed by Rawlsian principles. Rather than specifying presocial conditions that individuals consent—by social contract—to leave, the "original position" specifies various liberal ideas that, if consensually held, would lead everyone to accept the equal liberty and the difference principles as the basis for their

social cooperation, because everyone's interests would be served by being part of such a society. Some of the most important of these ideas are the following:

1. *Equal respect* The goals (or life plans) of each individual must be equally respected by everyone. The state must be neutral regarding the value of various life plans. Its principles and policies should not privilege certain life plans (e.g., a desire to become a doctor or lawyer) in relation to other life plans (e.g., a desire to become an artist or a surfer). Most importantly, no one's goals can be deemed insignificant or valueless and thus, no one's goals can be sacrificed for the sake of the greater good of society.

2. *Nonrisky rationality* Everyone realizes that the achievement of one's life plans will be facilitated by acquiring more social goods, and everyone also realizes that one's life plans will become endangered if one's social goods drop below a certain minimal level. While it is rational to seek more social goods, it is irrational to put oneself in a situation where it is possible to attain large increases in one's social goods only by risking the availability of those minimal social goods that are needed to achieve one's life plans:

3. *Mutual disinterestedness* Everyone is unconcerned about the social goods available to others. Being concerned with their own life plans and the social goods available to them to achieve their goals, individuals will not altruistically provide needed social goods to others. At the same time, envy will not preclude people from agreeing to the provision of larger holdings of social goods of others—as long as they recognize that providing others with such holdings does not adversely affect, and may even enhance, their own situations.

^{*}"Growing Inequality in America's Income Distribution," *The Urban Institute Policy and Research Report* (winter-spring 1991), p. 1. The most extensive statistics about income inequalities and fairness of American society are available in *The Green Book*, published annually since 1981 by the House Ways and Means Committee. These data clearly show that the new wealth generated during the 1980s went mostly to the most privileged members of society.

Sidebar 8-3 (continued)

4. *The veil of ignorance* The distributions of natural talents and social advantages that affect the chances for individuals to succeed or fail in their attempts to acquire more social goods must be unknown. Everyone must be ignorant of whether they are relatively smart or healthy or energetic. No one can know whether they are born to privileged or disadvantaged social circumstances. Of course, in practice, people do have knowledge of their natural endowments and social circumstances. However, Rawls argues that everyone must ignore this knowledge and assume that it is possible that they are relatively disadvantaged in terms of natural talents and/or have been born into social circumstances that limit their opportunities.

Rawls contends that people who hold these ideas will find his two principles of justice preferable to alternative principles. For example, they will reject utilitarianism—the principle that governments should maximize the greater good for the greater number—because this principle permits some individuals and their life plans to be sacrificed for aggregate gains. They will also reject pure equality, because some inequalities can be mutually beneficial. They will accept the equal liberty and the difference principles because these principles protect the fundamental interests of each person from being sacrificed for the gains of others and from bearing the misfortunes caused by natural and social contingencies.

Of course, it can be objected that the foundational ideas that people must hold in the original position are themselves problematic. Why, for example, should people be expected to ignore their natural endowments or social circumstances in choosing principles of justice? Or why should people be expected to prefer a risk-

free situation where they are guaranteed access to minimal social goods rather than preferring to gamble such a situation in the hope of winning one that provides extensive wealth, power, and so forth? Rawls's response to such criticisms is that the ideas in the "original position" are consistent with our "considered judgments" and intuitions about the good life and morality. For example, the "veil of ignorance" simply requires people to choose principles that are good for everyone, not just oneself. Without the "veil of ignorance," people will choose "principles" that benefit people in their circumstances, but the essence of principles is that they guide conduct and choices independently of opportunistic considerations of particular circumstances. While Rawls acknowledges that the idea of nonrisky rationality may not be suitable for all circumstances, he argues that it is attractive for situations such as deciding among principles of justice, because rejection of this idea of nonrisky rationality has "outcomes that one can hardly accept. The situation involves grave risks."^{*} In 1993, Rawls published *Political Liberalism*, in which he claimed that the ideas in the "original position" are consistent with values inherent in the liberal tradition. Rawls now concedes that his theory may not be universally applicable and holds only for those liberal societies where there is a commitment to the fundamental ideas of liberty and equality. While such arguments and concessions have not silenced Rawls's critics, his theory continues to have a strong appeal for contemporary liberals, because it reconciles their desire to balance the efficiencies of capitalism with a strong sense of equality.

^{*}Rawls, *A Theory of Justice*, p. 154.

Structure

Contemporary liberals generally accept the governmental structures and institutions that they have inherited from classical liberals. They recognize the need for constitutional restraints on government. They understand that governmental power needs to be divided. And they hope to check abuses of governmental power through various procedures of accountability. Compared to classical liberals, however, contemporary liberals want a strong state that can solve economic problems and deliver social justice. As a consequence, contemporary liberals have endorsed processes and practices that strengthen governmental institutions.

While recognizing the importance of constitutions, contemporary liberals believe it is permissible that such constitutions be amended to accommodate new moral understandings and to allow government to address new problems. For example, constitutional amendments (e.g., the Sixteenth Amendment to the U.S. Constitution, establishing the income tax) can give governments new powers to collect revenues to finance the strong state. It is also permissible for constitutions to be reinterpreted. During the New Deal, for example, liberals urged and endorsed several Supreme Court rulings permitting an expanded role of the federal government in the areas of economic regulation and redistribution. During the 1950s and 1960s, liberals supported judicial reinterpretations of the Fourteenth Amendment (the “equal rights” amendment) to desegregate schools. And, in 1973, liberals applauded when the Supreme Court ruled (in *Roe v. Wade*) that constitutional privacy rights implied that women have the right to abortions. In general, liberals have endorsed **judicial activism**—the practice whereby judges interpret vague and abstract wordings in the Constitution in a manner that expands the powers of government in economic matters and that extends the political, social, and legal rights of minorities, women, and persons accused of crimes, for examples. For liberals, the practice of actively reinterpreting the Constitution is justified because the abstract vagueness of constitutional provisions requires that constitutional language be fused with contemporary moral theories—such as that provided by John Rawls in *A Theory of Justice* (see sidebar entitled “John Rawls and His Theory of Justice”)—to address new problems.²⁵

One of the major areas where American liberals have reinterpreted the U.S. Constitution concerns the powers of the national government relative to state governments. Classical liberals in America assumed that the states should do most of the governing. Indeed, the Tenth Amendment to the U.S. Constitution provides that those powers not given to the national government by the Constitution “are reserved to the states respectively or to the people.” During the nineteenth century, the national government exercised few powers, as the states made and enforced most of the laws regarding business and finance, property, labor, welfare, and crime.²⁶ However, contemporary liberals (citing

²⁵Dworkin, *Taking Rights Seriously*, p. 149.

²⁶Lowi, *The End of Liberalism*, p. 272.

the "elastic clause" in the Constitution giving Congress the power "to make all laws which shall be necessary and proper . . .") have sought to increase the authority of the national government for several reasons. First, modernization and globalization have made many economic problems difficult to solve at the state level. For example, states are often reluctant to impose strict environmental regulations on their industries for fear that such regulations would prompt businesses to relocate in states with more lax regulations. Only national governments (and international agreements) can impose strict regulations that leave businesses with few choices but compliance. Second, states have often been controlled by local special interests that are unresponsive to broader public concerns or minority rights. Thus, some Western states were long controlled by mining and/or agricultural interests that resisted reforms. And Southern states, of course, were controlled by conservative whites who resisted minority rights. In the liberal view, only by expanding the power of the national government could such injustices as state-supported racial discrimination be curbed. Third, national governments are much more able than state governments to expand welfare rights in a mobile, modern society.²⁷ The problem is that there are strong economic disincentives for states and localities to produce redistributive policies. States that create more generous welfare programs than other states can expect to attract the "wandering poor" from other states while effectively encouraging businesses and wealthy citizens to leave the state to avoid the high taxes needed to cover increasing welfare costs. In short, states face especially severe trade-offs between equality and efficiency, and their concern to enhance aggregate economic well-being makes them unreceptive to redistribution. Because national governments can limit entry of the poor of other countries through restrictive immigration laws and because the wealthy are less inclined to give up their citizenship than they are to move to low-tax states, national governments have fewer disincentives to have generous welfare-rights policies than the states do.

Despite the willingness of contemporary liberals to expand national government, it is probably a mistake to regard national supremacy—the view that the powers of state governments should be limited and made accountable to the sovereignty of national governments—as a liberal doctrine. As budget deficits have curtailed the capacity of the federal government to enhance welfare rights and provide public services, and as the executive branch has fallen into the hands of conservative administrations, liberals have increasingly turned back to the states, seeking innovative solutions to social and economic problems at that level. In short, liberal beliefs about the proper powers of national, state, and local governments are derivative rather than fundamental. Contemporary liberals are more basically concerned with using governmental power to resolve social and economic problems and to enhance social justice, and they will use the power of any level of government—national, state, or local—that is readily available for such purposes.

²⁷Paul Peterson, *City Limits* (Chicago: University of Chicago Press, 1981), pp. 210–222. Also see Deborah A. Stone, "Why the States Can't Solve the Health Care Crisis," *American Prospect* (spring 1992), pp. 51–60.

Another area where American liberals have reinterpreted the Constitution concerns the distribution of powers between the executive branch and the legislative branch. While classical liberals generally supported legislative-centered government, contemporary liberals have generally supported **executive-centered and bureaucratic government**.²⁸ At least until conservative Republicans began to dominate the executive branch during the Reagan administration (while liberal Democrats continued to dominate Congress), liberals generally sought to strengthen the executive branch for several reasons. First, legislatures represent diverse and parochial interests and contain many veto points, making it difficult for them to pass progressive legislation solving social problems and furthering social justice. It has often been observed that liberal legislation in the areas of civil rights and welfare policies could only pass through Congress during periods when liberal Democrats had supramajorities in each house and were influenced by the prodding of liberal presidents.²⁹ Second, in the United States, the Chief Executive has accrued significant political powers to define the agenda of social problems and to convey his concerns to the public. Beyond the formal powers provided to them by the U.S. Constitution, presidents have acquired informal powers that, if fully employed, can facilitate the building of coalitions supporting policy initiatives on behalf of liberal goals. Third, as society has become more modern, problems have become more complex, and the expertise to address these problems appears to reside in a professional bureaucracy rather than among legislative generalists. While legislators might be able to agree that certain problems—such as environmental pollution or AIDS—require public attention and the investment of governmental resources, they seldom have the expertise to define specific policy solutions. As a result, legislative lawmaking amounts to little more than “expressing broad and noble sentiments, giving almost no direction at all but imploring executive power, administrative expertise, and interest-group wisdom to set the world to rights.”³⁰ In short, liberals have come to depend on bureaucratic expertise to define the social and economic problems that confront society and to develop and implement specific programs addressing these problems. They recognize that presidents can use their popularity and prestige to develop coalitions supporting governmental initiatives. And they hope that legislatures will respond to these initiatives by passing broad enabling laws and by appropriating funds for such programs. By supporting such executive-centered government, liberals have come to endorse the bureaucratic state.

Despite supporting strong, executive-centered national governments, contemporary liberals are well aware that such governments can abuse their powers, and so they endorse structures and practices of accountability. In general, they believe that executive agencies should be accountable to the legislature and the legislature should be accountable to citizens. Bureaucratic programs

²⁸Lowi, *The End of Liberalism*, pp. 274–279.

²⁹James Sundquist, *Policies and Politics: The Eisenhower, Kennedy, and Johnson Years* (Washington, D.C.: Brookings Institution, 1968).

³⁰Lowi, *The End of Liberalism*, p. 276.

should be subjected to **legislative oversight**. Legislative staffs should evaluate the legality, effectiveness, and fairness of bureaucratic actions, and legislative hearings should permit testimony from outside experts, interest groups, and citizens. Executive abuses of power—such as were committed by the Nixon administration during the Watergate scandal or by the Reagan administration during the Iran-Contra affair—can be investigated by the legislature, which should apply appropriate sanctions ranging from impeachment to the cutting off of program appropriations.

Understanding that legislators should, in turn, be accountable to citizens, contemporary liberals have endorsed a variety of reforms to enhance such accountability. For example, American liberals have sometimes criticized indirect selection methods, endorsing the popular election of senators (rather than selection by state legislatures) and the president (rather than selection by the Electoral College). Liberals have sought to devise legislative districts that apportion legislators equally based on population, to ensure that legislators are as accountable to urban voters as to rural ones. More recently, liberals have called for public financing of elections, believing that such reforms would make representatives more accountable to the general public rather than to "fat-cat" contributors. But liberals have not supported all electoral reform proposals. There is no evidence, for example, that liberals are more supportive than conservatives of term limitations on elected representatives. Indeed, there are good reasons for liberals to reject such proposals. Term limitations curtail the rights of both representatives (who can thereby be prohibited from seeking reelection to office) and voters (who can thereby be denied the right to vote for representatives who have served them effectively). And liberals have argued that term limits would hamper the development of the effective leadership needed by a strong state.

Rulers

Like classical liberals, contemporary liberals are committed to representative democracy. They believe that preeminent power should reside with elected officials, and they have sought to increase the representativeness of such officials. Indeed, they recognize that there have been significant departures from the ideals of representative democracy, divergences which necessitate political reform.

Contemporary liberals have continued the process of making the electorate more representative. While classical liberals focused on removing property qualifications, contemporary liberals have worked to extend voting rights to such groups as women, racial minorities, and younger people, among others. Moreover, contemporary liberals have shown some concern with increasing the representativeness of state and local legislatures. For example, liberals are concerned that Afro-Americans and Hispanics (as well as the poor, women, and many other groups) remain significantly underrepresented on city councils in the United States, and they have discovered that electoral institutions and practices that are prominent in American cities—at-large constituencies

and nonpartisanship—tend to exacerbate such underrepresentation.³¹ As a consequence, liberals often seek, and have sometimes achieved, district-based partisan elections. Because liberals recognize the increasing power of bureaucracies—both in the formulation and implementation of public policies—they have also been concerned with more equitable bureaucratic representation. For example, liberals have urged urban police departments to recruit and promote more minority and women officers.

Despite gains in the representativeness of the electorate and of public officials, liberals believe that real power remains distributed in ways that depart from democratic ideals. Compared to other groups and most citizens, business interests and people with higher incomes have always been well organized and thus in a position to disproportionately influence public officials. To balance the pressure-group system, liberals have urged the formation of new groups representing labor, consumers, the poor, minorities, women, and other relatively uninvolved and powerless citizens. But most liberals suspect that business organizations continue to have a “privileged position” among pressure groups.³²

More specifically, liberals recognize that specialized policy arenas—often called **subgovernments**—have emerged. These subgovernments are often dominated by business organizations having large economic stakes in the area, agency officials providing policy-specific expertise, and legislative-committee members whose constituencies benefit from governmental spending in the area. The most famous of these subgovernments is the military-industrial complex composed of defense contractors, leaders in the defense department and the military, and congressmen whose districts contain military bases or defense contractors that employ many constituents. Additionally, subgovernments dealing with scientific-educational, agricultural, medical, and other interests have been identified.³³

Contemporary liberals have ambivalent attitudes regarding such power arrangements. Subgovernments can be effective means of bringing governmental power to bear on national problems. The expertise of interest groups and bureaucrats can be employed in specialized arenas. And legislators can develop expertise in specialized policy areas while serving the interests of their constituencies. Nevertheless, contemporary liberals recognize that many interests and citizens are unable to penetrate these power arrangements. As a result,

³¹Susan Welch and Timothy Bledsoe, *Urban Reform and Its Consequences: A Study in Representation* (Chicago: University of Chicago Press, 1988), pp. 35–53.

³²Charles E. Lindblom, *Politics and Markets* (New York: Basic Books, 1977), pp. 170–188.

³³It has been observed that an increase in judicial activism has enabled the courts to enter into these subgovernments, transforming “triangles of power” into “policy rectangles.” Indeed, some analysts insist that the emerging activism of newly organized environmental, consumer, and minority groups make obsolete such terms as “triangles of power” and “policy rectangles;” they prefer the term “policy networks,” as it denotes an allowance for the participation and power of many actors in these subgovernments. While contemporary liberals normally welcome more extensive participation in subgovernments, they recognize that some legitimate interests continue to be excluded from such arenas.

the policies of subgovernments may better serve the special interests that dominate them than they do the public interest. These negative aspects of subgovernments have prompted neoliberals to try to control—though not abolish—their powers. Theodore Lowi argues that such control must begin by having legislatures practice the principles of **juridical democracy** by delegating fewer powers to these subgovernments.³⁴ Rather than passing vague legislation directing agencies to achieve certain goals, the rule of law must be restored. According to Lowi, legislatures must draft laws that state precisely what is to be done or what is to be forbidden, that indicate clearly who is to be affected, and that specify exactly the rewards and punishments to be utilized. Additionally, Lowi and other neoliberals believe that the policies and practices of these subgovernments must be continuously monitored to determine whether or not they are achieving specified standards and goals. Those programs that are not performing adequately should be terminated by “sunset clauses” in the enabling legislation. By reducing the discretionary powers delegated to subgovernments and by holding them more accountable to the legislature, neoliberals hope that power can be distributed in ways that more closely reflect the democratic ideal that the primary rulers in a liberal society are its elected representatives.

In summary, contemporary liberals support various reforms in order to make the distribution of power in liberal societies better correspond to the ideals of representative democracy. Believing that dominant power should reside among elected representatives, contemporary liberals seldom support reforms that would empower citizens through the institution of populist democratic procedures.³⁵ They believe that parliaments are better than open assemblies, because representatives are more able than citizens to adjust competing interests through compromise, oversee administrative bodies, and employ institutional devices (like party leadership) for setting an agenda that establishes priorities among issues.³⁶

Citizenship

Classical liberals made citizenship contingent on competence, slowly extending citizenship rights as various classes of people were deemed qualified. Contemporary liberals have rejected competence as a criterion for citizenship, asserting that all adults who are affected by political decisions should be citizens. As noted by Robert Dahl, they have adopted the principle of maximal inclusion, as citizens, of all but the mentally defective, children, and transients.³⁷ Having granted citizenship to minorities and women and having lowered the age at which the young are granted various citizenship rights, the question of “who should be citizens?” in a liberal society now focuses on how

³⁴Lowi, *The End of Liberalism*, pp. 295–313.

³⁵William Riker, *Liberalism Against Populism* (San Francisco: W. H. Freeman, 1982).

³⁶Elaine Spitz, “Citizenship and Liberal Institutions,” in *Liberals on Liberalism*.

³⁷Robert Dahl, *Democracy and Its Critics* (New Haven: Yale University Press, 1989), p. 119–131.

many and which "outsiders" should be granted residency and made citizens.

Classical liberals assumed that citizenship was available to those who chose to reside within the borders of a country, agreed to obey the laws of its government, and met the qualification standards that applied to long-term residents. Such "open admissions" principles, which continue to be endorsed by most libertarians,³⁸ are viewed with skepticism by contemporary liberals. Liberal societies have achieved levels of economic affluence and extensive welfare rights that make such societies attractive to people outside their borders. Without some restrictions on who can be citizens, liberal societies would be besieged by those seeking admission. Unrestricted immigration, where outsiders could simply choose to become citizens, raises several difficulties. First, as outsiders become residents, their willingness to work for wages below prevailing rates may reduce the economic security of existing citizens. Second, unrestricted immigration can threaten the welfare state because of the reluctance of taxpayers to maintain or extend economic entitlements if they believe that such programs will simply entice the poor from other countries to arrive on their shores in order to receive welfare. Third, open admissions can threaten the "common culture" of a society—for instance, if the dominant language were no longer the primary means of communication. Finally, unrestricted borders threaten the very idea of "national autonomy"—the concept that a basic right of every nation is to decide, according to its own values and its own procedures, who will be citizens.

As a consequence, contemporary liberals have adopted several principles dealing with admissions and criteria for citizenship.³⁹ First, liberals reject nativist conceptions of restricted admissions (or largely closed borders) in favor of *higher, but qualified, immigration* levels. Liberals recognize the extraordinary economic and cultural contributions to society made by immigrants, they admire the qualities of many newcomers to society, and they find morally appealing the idea of admitting the oppressed from other parts of the world. Second, liberals believe some qualifications must nevertheless be established limiting the admission of new citizens. Preference should be given to those who seek asylum from political oppression in their native lands, whose occupational skills can most contribute to the economy (and who are least likely to become dependent on welfare), whose cultures, ideologies, and languages lead to easy assimilation into society, and whose extended families include those who are already citizens. However, such criteria should not be used to exclude certain applicants on racial, ethnic, or religious grounds, as the immigration policies of a liberal society must promote diversity rather than nativist prejudices. Third, residence in a liberal society should translate as quickly as possible into citizenship. Liberals are uncomfortable with the presence within their societies of both illegal and landed immigrants (or guest workers), because

³⁸See Joseph H. Carens, "Aliens and Citizens: The Case for Open Borders," *Review of Politics* 49 (spring 1987), pp. 252–254, 263–264.

³⁹Paul H. Schuck, "The Great Immigration Debate," in *The American Prospect* 3 (fall 1990), pp. 100–117.

such people are relegated to a lower status within the community and have inferior rights to those of citizens. Lacking the full rights and protections of the state, such residents experience the liberal state as a repressive force. Immigrants should either be denied admission if they cannot qualify for citizenship, or they should be granted citizenship as soon as naturalization processes can be completed.

The issue of being or becoming a citizen is important to contemporary liberals for three principal reasons: citizens acquire rights; citizens incur public obligations and responsibilities; and citizens obtain opportunities for political participation. As we have discussed earlier, liberals have sought to expand citizen rights. Compared to classical liberals, contemporary liberals have given broader definitions to political liberties, legal rights, and economic entitlements, and they have tried to ensure that these rights have been extended to the lower classes, minority groups, women, and so forth. For the most part, the broader rights pursued and provided by contemporary liberals have been "private" rights. They are the equal liberties of each individual against the state (e.g., the right to privacy) or the claims of individuals upon the state (e.g., the right to consume various public goods and services). By emphasizing such private rights, contemporary liberals have remained faithful to the conception of citizenship held by classical liberals. They view citizens as individuals who devote most of their lives to economic production and consumption and to the satisfaction of their personal interests. They have sought to emphasize and enhance the private sphere of life through public protections and provisions. Accordingly, they have de-emphasized those aspects of citizenship which propel individuals more strongly into the public realm. They have de-emphasized citizen obligation and participation.

Nevertheless, contemporary liberals—perhaps liberal theorists more than liberal politicians—recognize that citizens have **political obligations** as well as rights. While some ideologies claim that citizens have "duties" (such as the duty to obey God or the Fuehrer), liberals prefer the language of obligations and responsibilities. While such ideologies conceive of duties as disconnected from rights, liberals see obligations as being intimately connected with citizen rights. Most basically, the rights that governments secure for each citizen impose obligations on other citizens to obey those laws that secure these rights. Each person's property rights impose an obligation on all other citizens to obey no-trespass laws. Each person's right to due process if accused of a crime imposes an obligation on all citizens to serve as jurors if called. The right of citizens to be secure from foreign invasion imposes military obligations on them. While liberals have supported various policies as alternative means of distributing such military obligations—including drafting young men by lot and recruiting a voluntary army financed by higher taxes—liberal commitments to equal rights imply commitments to universal responsibilities. Believing that a volunteer army merely permits the more affluent to hire the relatively disadvantaged to do their dangerous work, many neoliberals have called for a national public service program requiring all young men and women to serve in the military or in some alternative service for a few years.

The expansion of welfare rights by contemporary liberals is, at least in principle, accompanied by parallel increases in obligations on citizens to pay for welfare entitlements through higher taxes. When liberals enact new welfare programs, they simultaneously obligate citizens to pay for such programs. Citizens having welfare rights may express these rights as claims against the government (and these rights are often treated as such), but governments are merely relatively efficient and fair instruments for providing these rights and imposing corresponding tax obligations on citizens. Of course, although most citizens want rights, they don't want responsibilities—this gives liberal politicians an incentive to emphasize rights while minimizing obligations. When contemporary liberal politicians have stressed obligations, they have usually encountered hostile responses. When President Kennedy said, "Ask not what your country can do for you; ask what you can do for your country," he was chastised in the press for forgetting that government was the servant of the people. When Walter Mondale promised to raise taxes when accepting the Democratic nomination for President in 1984, he thereby virtually sealed his defeat in the general election. In summary, liberal theorists insist that the welfare state is based on an implicit social contract in which citizens define rights corresponding to their perceived basic, common needs. Citizens then develop governmental programs fulfilling these needs and obligate themselves to contribute their fair share to the costs of these programs. But, in the everyday world, liberals "have not had a well-developed public language of responsibility to match our language of rights."⁴⁰

Increasingly, liberal theorists and politicians are searching for an improved understanding of political obligation.⁴¹ They hope to move beyond the "thin" conception of citizenship that is widely held in liberal democracies and is exemplified by the common view that citizens fulfill their public obligation by voting and that the exercise of this "responsibility" entitles them to the most basic citizen right today: the "right to bitch" at politicians rather than contributing to the process of finding solutions to public problems.⁴² Initially, this "thicker" conception of citizen responsibilities simply seeks to reestablish the intimate link between responsibilities and rights.⁴³ Obedience to just laws, involvement in public service, and payment of necessary taxes are responsibilities that citizens must discharge if they hope to retain the rights and benefits provided by a liberal state.

In addition, many liberal theorists sense the need for a conception of citizen responsibilities that goes beyond those obligations that are merely the flip

⁴⁰Mary Glendon, quoted in a symposium on drafting a bill of duties entitled, "Who Owes What to Whom?" *Harper's Magazine* 282 (Feb. 1991), p. 45. For a further discussion of communitarian views regarding rights and responsibilities, see Glendon's *Rights Talk: The Impoverishment of Political Discourse* (New York: Free Press, 1991).

⁴¹A new journal, *The Responsive Community: Rights and Responsibilities*, has been founded to explore these matters, and liberals are prominent both on its editorial board and among its contributors.

⁴²Dan Kemmis, in "Who Owes What to Whom?," p. 46.

⁴³President Clinton's call for a "new covenant" during the 1992 presidential campaign is the most visible recent attempt to stress citizen responsibilities as well as rights.

side of our rights. Perhaps citizens have obligations to preserve the oceans, the earth, and spotted owls.⁴⁴ Perhaps citizens have obligations to future generations. While there are no living human rights-holders on the other side of these potential obligations, liberals recognize the need of citizens to exercise greater responsibility toward the environment and the future members of society.⁴⁵

While many contemporary liberals seek to develop a "thicker" conception of citizen obligation, they normally reject a duty to engage in political participation. For liberals, there can be no duty to vote, because the right to vote also implies the right not to vote. Compelling citizens to vote would not ensure that they voted in an informed manner, in a way that furthered democratic or liberal outcomes. Compelling citizens to vote might prompt them to participate for the wrong reasons—to escape penalties to be imposed on nonvoters rather than to express their sense of responsibility to their fellow citizens and their commitments to the effective functioning of democratic institutions.

As long as all citizens have the right and opportunity to participate, liberals believe that democracy can function effectively and fairly even if many people choose not to participate or choose to limit their participation to voting in periodic elections. Rather than seeking highly participatory democracy, contemporary liberals are satisfied with a form of democracy that Robert Dahl calls **polyarchy**. In polyarchies, citizens are provided fundamental political rights, including the opportunity to participate, and governments are controlled by elected officials who modify their conduct so as to win elections in political competition with other candidates and parties.⁴⁶ Such arrangements are supported by liberals for several reasons. Citizens need not devote vast amounts of time to politics. Simply by voting in periodic elections, citizens acquire "indirect influence," because elections give elected officials incentives to enact policies reflecting citizen preferences and needs. Citizens need not meet Herculean, or ideal, standards. They need not be well-informed on all issues of the day; they need not have sophisticated ideologies; they need not know "the public good"; and they need not put the public good ahead of their personal interests. All that citizens need to do is to evaluate the overall performance of officials based on casual observations. Have officials abused the public trust? Have they normally responded to the preferences and needs of their constituents? Have social and economic problems dwindled or are they increasing in number or severity? Relatively unsophisticated citizens can remove elected officials who fail these tests through the device of contested elections. Thus, public officials can be controlled and held accountable for their

⁴⁴Lawrence Tribe, "Ways Not to Think About Plastic Trees: New Foundations for Environmental Laws," *Yale Law Review* 83 (fall 1974), pp. 1314–1348.

⁴⁵It remains an unresolved question as to whether such responsibilities can be reconciled within liberal ideology or whether such responsibilities can only be accommodated within other ideologies, such as environmentalism or conservatism. In his *A Theory of Justice* (pp. 284–293), John Rawls claimed that citizens have obligations to future generations. But Rawls insisted that current generations can no more have an obligation to sacrifice their own good for that of future generations than they can sacrifice the good of future generations to their own immediate interests.

⁴⁶Dahl, *Democracy and Its Critics*, pp. 218–224.

performances even if only some citizens actually vote in elections and even if the voters' information about politics is limited.⁴⁷

In addition to having the freedom to vote, citizens also have opportunities to become more directly involved in political life. They can become active in interest groups (or limit their participation to paying annual dues that enable the leaders of such groups to represent their concerns through continual interactions with public officials). They can organize or join ad hoc, issue-specific groups to make known their concerns and grievances—a particularly popular and effective mode of participation at the local level. They can also join voluntary associations that contribute to society in ways that are relatively removed from politics and public policy making.⁴⁸

While polyarchy gives citizens the right to vote and to participate in various organizations, it also gives citizens the right to oppose government and dominant groups within society. Contemporary liberals have emphasized two modes of oppositional participation: involvement in protest movements and the practice of civil disobedience.

Contemporary liberals have been active in numerous **protest movements**—in activities of relatively unorganized collections of people who share common political values and goals. Some protest movements—such as the civil rights movement, the women's rights movement, and the gay rights movement—have simply sought to extend liberal rights to excluded groups. Other protest movements—such as the antiwar movement and the environmental movement—have sought to redirect policies away from the goals sought by the most powerful interests and groups within liberal society. Contemporary liberals have often supported protest movements because they provide vehicles for participation and influence for those citizens who are otherwise excluded from, or underrepresented in, the political process. Contemporary liberals also have supported protest movements because they raise the consciousness of political officials and of the broader public about important social problems that otherwise escape public attention. Such movements generate support for structural and policy innovations that reform public life in accordance with new moral understandings and emerging social and economic possibilities.

A particular form of political protest that is often supported by contem-

⁴⁷V.O. Key, Jr., *The Responsible Electorate* (Cambridge: Harvard University Press, 1966).

⁴⁸The importance of voluntary organizations in liberal society is stressed by Spitz, "Citizenship and Liberal Institutions," p. 198. Nevertheless, contemporary conservatives emphasize participation in voluntary associations more than do liberals. For conservatives, voluntarism is often viewed as a substitute for political action; for example, they view participation in private charitable associations as a means of reducing the size of the welfare state. For liberals, voluntarism can only complement political action. Liberals believe that participation in charitable organizations can be the decent thing to do when welfare provisions of the state are inadequate. But liberals also believe that charitable organizations are no substitutes for public welfare (1) because contributions to such organizations decline during hard times when the need is the greatest, (2) because such organizations often set criteria for receipt of aid that involve "helping our own kind" rather than helping the most needy, and (3) because charity fails to establish welfare rights. See Jeffrey Henig, *Public Policy and Federalism* (New York: St. Martin's Press, 1985), pp. 116–120.

porary liberals is **civil disobedience**. Civil disobedience occurs when a citizen or group of citizens publicly defies a law or policy of a government with the intention of pointing out its injustice and promoting a policy change. Acts of civil disobedience are premeditated, are understood to be illegal or of contested legality, are carried out for limited public ends, and employ carefully chosen nonviolent means.⁴⁹ The most prominent example of civil disobedience in recent American history is provided by Martin Luther King, Jr. (1929–1968) and his followers in the civil rights movement.⁵⁰ King sought limited ends by calling for the end of segregation laws but not for the overthrow of the racist regimes that created such laws. Rather than seeking some private advantage, he addressed the rights of a large but oppressed group and argued that his aims were to further justice and the common good. He employed limited means, as his direct action tactics sought to create an atmosphere of crisis without involving violence. He acknowledged that his actions violated existing laws and was prepared to accept the penalties for his disobedience, even while arguing the injustice of these laws.

While liberals believe that citizens normally have an obligation to obey the laws of government, they also regard civil disobedience as morally legitimate in a pluralistic society. Liberals recognize that citizens have multiple obligations. Sometimes their obligations to their families, to fellow members of oppressed groups, or to humanity may conflict with their obligation to obey the laws of their government. In such situations, disobeying questionable governmental laws may contribute to a good society. Existing liberal societies, of course, fail to realize perfectly their liberal principles. Within liberal societies, tyrants can acquire political power, and well-motivated public officials can create oppressive and unjust laws. A society that does not respect and, indeed encourage, such courageous acts of resistance as civil disobedience runs the danger of producing citizens who will submit to tyranny and injustice. Civil disobedience serves both to educate liberal citizens about civic virtues and moral obligations, and to inhibit and correct departures from liberal ideals.

Change

It is generally understood that "conservatism stands for conserving the inheritance" while liberalism has an "inclination toward reform or change."⁵¹ Contemporary liberals welcome change because they have confidence that collective political action can narrow the gaps between liberal ideals and existing conditions. Economic problems can be alleviated by governmental policies. Social injustices can be corrected. More democratic distributions of power can

⁴⁹Seminal treatments of civil disobedience are provided by Christian Bay, "Civil Disobedience: Prerequisite for Democracy in Mass Society," in *Political Theory and Social Change*, edited by David Spitz (New York: Atherton Press, 1967) and by John Rawls, *A Theory of Justice*, pp. 363–391.

⁵⁰Martin Luther King, Jr., "Letter from Birmingham Jail," in *Why We Can't Wait* (New York: Harper and Row, 1963).

⁵¹Joseph Cropsey, *Political Philosophy and the Issues of Politics* (Chicago: University of Chicago Press, 1977), p. 117.

be achieved. Liberals have specific ideas about how to achieve such economic, social, and political changes.

First, contemporary liberals believe that change should occur through democratic political action. While classical liberals thought that an "invisible hand" inevitably transformed the self-interested actions of individuals into social progress, contemporary liberals believe that progress can best be achieved collectively. They believe that the future must be deliberately and socially constructed, that democratic politics provides the best forum for deliberating on future goals and the courses of action for achieving these goals, and that the power of the state must be applied in order to bring about beneficial changes.⁵²

Second, change need not be revolutionary, at least for those contemporary liberals living within Western democratic societies. The basic economic, political, and social institutions of these societies should be maintained. Small, family-owned and operated businesses may have often turned into large corporations, "night watchman" states may have become strong states, and social structures may have become more heterogeneous and complex, but these aspects of modernization have evolved slowly, naturally, and, for the most part, beneficially. While such institutional arrangements sometimes engender social problems that need correction, the basic structures are sound.

If contemporary liberals have any desire for revolutionary change, it is in seeking the transformation of illiberal societies. Certainly liberals have applauded the revolutionary developments in Eastern Europe whereby communism and authoritarianism have been replaced by market economies and democratic governments. And many liberals support the overthrow of governments that violate human rights in such places as China, Iraq, or Haiti. Nevertheless, liberals are cautious in their support of revolutionary change—even in illiberal societies. They realize that liberal institutions cannot be imposed on developing nations without disrupting their unique cultures. Liberals recognize that different people—and thus different societies—have their own goals and ways of life that may not include the materialism and individualism pervading liberal societies.

Third, contemporary liberals usually want to achieve progress through reform. Occasionally, liberal reform can transform social life while preserving fundamental institutions. For example, Alexander II ordered the emancipation of the serfs in Czarist Russia and Abraham Lincoln freed American slaves even though such reforms were intended to maintain rather than change basic political institutions.⁵³ Perhaps leading examples of such transforming reforms in liberal societies during this century are the New Deal and the Great Society. While unconcerned with changing fundamental political institutions, Franklin D. Roosevelt's New Deal brought about extensive economic reforms by equalizing the bargaining power of business and of labor (through the Wagner Act

⁵²See, for example, *The Collected Writings of John Maynard Keynes*, vol. 27, edited by Donald Moggridge (London: Macmillan, 1980), p. 260.

⁵³James MacGregor Burns, *Leadership* (New York: Harper and Row, 1978), pp. 181–195.

of 1935) and by enhancing the role of the federal government in providing the citizenry security against economic deprivation. While leaving intact basic economic and political institutions, Lyndon Johnson's Great Society initiative sought far-reaching changes in race and class relations through civil rights legislation and antipoverty programs.⁵⁴ Despite conservative rhetoric about the failure of such liberal reforms, liberals insist that these laws and programs have resulted in significant progress. For example, John Schwarz argues that the liberal policies in the United States during the 1960s and 1970s significantly reduced poverty, curbed flagrant malnutrition, relieved overcrowded and substandard housing, improved educational opportunities for impoverished children, gave useful skills to thousands of otherwise unemployable persons, reversed pollution trends, and accomplished all of these gains without significantly increasing the tax burden on American citizens as a percentage of their steadily expanding incomes.⁵⁵

Liberals are also committed to achieving incremental changes, as they understand that progress in most areas occurs by making many small adjustments over time. Even the massive changes in international politics at the end of the Cold War have not prompted most liberal politicians to call for an immediate, drastic transfer of funds from defense to domestic programs. Instead they call for incremental reductions in military expenditures over a five-to-ten-year period. Liberals are willing to seek incremental changes for several reasons. First, **incrementalism** avoids intolerable dislocations; for example, a slow build-down of the armed forces avoids flooding society with unemployed soldiers and producing massive shocks to local economies that are dependent on military expenditures. Second, incrementalism is more acceptable politically than massive reform; conflicting interests can more easily be accommodated by making changes slowly. Third, incrementalism allows for remedial actions; problems and unexpected consequences may occur as reforms are implemented, but incrementalism allows for adjustments and even reversals to deal with such difficulties.⁵⁶

Liberals have thus sought to achieve progress through both transformational and incremental reforms rather than through revolutionary politics. Nevertheless, it can be argued that the effects of liberal reforms over an extended period can indeed be revolutionary. According to Theodore Lowi, the "First American Republic," which was based on the principles of classical liberalism, died during the 1960s, and the "Second American Republic," which is based on the principles of contemporary liberalism, has emerged as its successor.⁵⁷ The reforms of contemporary liberals have resulted in the following revolutionary transformations of American politics. The small state has given way to the strong state. Free enterprise has yielded to a regulated and mixed economy. Support for market justice—emphasizing the unequal contributions

⁵⁴See, for example, Sidney Verba and Gary Orren, *Equality in America* (Cambridge: Harvard University Press, 1985), pp. 41–48.

⁵⁵John Schwarz, *America's Hidden Success* (New York: W. W. Norton, 1983).

⁵⁶The rationality of incrementalism is defended by David Braybrooke and Charles Lindblom in *A Strategy of Decision* (New York: Free Press, 1963).

⁵⁷Lowi, *The End of Liberalism*, pp. 271–294. Lowi disapproves of these changes.

of individuals to the economy—has been partially eclipsed by support for social justice—emphasizing equalities among citizens. The separation of powers has become somewhat modified by the emergence of executive-centered government. The primacy of state governments has yielded to the dominance of national institutions. Power has become more broadly dispersed, as many interest groups and agency officials wield significant influence, as do elected officials and voters. Citizen rights have been enormously expanded, and many new vehicles have emerged for furthering opportunities for citizen participation. Liberals laud these changes because they enable governments to extend the positive liberty of citizens, solve social and economic problems, and thus bring about progress.

THE PHILOSOPHICAL BASES

Ontology

Contemporary liberals have abandoned the classical liberals' goal of achieving a universal theory of politics based on firm, incontestable, philosophical foundations. Rather than seeing liberalism as a fixed doctrine based on a true understanding of nature, they see liberalism as an evolving historical and political achievement—an inheritance of a valuable political tradition that is justified by its deeds and potentialities, not its metaphysics.⁵⁸ Contemporary liberalism can be regarded as **deontological** in a narrow sense (which we will consider below, in our discussion of epistemology) in that it postulates no knowledge of "the good" or "the good life" other than the entirely subjective understandings that individuals have of "the good." But contemporary liberals can also be considered deontological in a broader sense; they view attempts to define the true nature of the universe, humans, and societies as fruitless.

Like classical liberals, contemporary liberals view the world in natural or secular terms, as they regard ideas about God's role in the universe as serving only private, spiritual needs and as being irrelevant to the construction of political principles. But while classical liberals believe that the natural world works according to precise natural laws, contemporary liberals doubt that there is a natural order that determines social and human life. Social arrangements are not naturally ordered, but socially created. Human capacities are not defined by nature but rather are shaped by social contexts and human choices. History will not unfold according to predetermined social and natural forces but rather will be of our making. The social world now, and in the future, takes on many possibilities and is not subject to iron laws, but rather it can be modified culturally and politically.⁵⁹

To claim that there are no iron laws of capitalism, politics, or social life is

⁵⁸John Rawls, "Justice as Fairness: Political not Metaphysical," *Philosophy and Public Affairs* 14 (1985), pp. 223–251, and John Gray, *Liberalisms: Essays in Political Philosophy* (London: Routledge, 1989), p. 240.

⁵⁹John Maynard Keynes, for example, saw belief in "some law of nature" that precludes human intervention as "nonsense." See *Collected Works*, vol. 9, pp. 90–91.

not to say that developments in these areas are completely contingent and unshaped by either ideational (Hegelian) or material (Marxian) forces. Contemporary liberals seem to assume that the achievement of progress will be influenced by both human values and organizational power. Liberals understand that people have many, often competing, values. The values that are strongest within individuals, groups, or societies will influence their goals—and thus, their achievements. Liberals thus understand that the maintenance and progress of liberalism requires the fostering of certain liberal values—such as the importance of individual excellence and accomplishments, a commitment to social justice, a respect for the rights of others, and a willingness to fight for liberal rights and values.⁶⁰ Liberals also understand that in order for values to have an impact, they must be backed by political power. In modern societies, significant political power resides in well-structured organizations of people and material resources. Organized power which affects historical progress may reside in governments, in corporations, in labor unions, or in other large-scale organizations.⁶¹ In short, contemporary liberals believe that there are many possibilities for human history and that our fates depend on the values we choose to emphasize and on how power is organized. If liberal ideals are to be more fully realized, liberal values must be encouraged and political power must be effectively organized on behalf of such values.

Human Nature

Classical liberals assumed that humans have fixed and specific characteristics—people are maximizers of utility, endowed with instrumental reason, and equal in certain fundamental ways. In contrast, contemporary liberals believe that it is a mistake to assume a fixed and invariant human nature. When thinking about “human nature,” contemporary liberals tend to make moral prescriptions about how humans ought to be—and how others ought to regard them—in order to thrive in a liberal society, instead of making descriptive statements about the actual motivations and qualities of human beings.

Like classical liberals, contemporary liberals believe that all humans have an essential interest in leading a good life and in having the things that a good life provides and requires, but such liberals doubt that the particulars of the life plans of humans can be specified. People can regard the good life as attaining capitalist values—such as material comfort and security—or as involving other values emphasizing emotional fulfillment, social belongingness, and public spiritedness. Different people may emphasize different goals, and individuals alter their life plans when they conclude that their current priorities are mistaken.⁶² Individuals do not choose their goals in a completely autonomous and disembodied manner; they are influenced by

⁶⁰William Galston, “Civic Education in a Liberal State,” in *Liberalism and the Moral Life*, edited by Nancy L. Rosenblum (Cambridge: Harvard University Press, 1989), p. 93.

⁶¹The determinant power of organizations is discussed by John Kenneth Galbraith in *The New Industrial State* (New York: Signet Books, 1972).

⁶²Will Kymlicka, “Liberalism and Communitarianism,” *Canadian Journal of Philosophy* 118 (June 1988).

community traditions and the values of others, even by the values of people from different cultures. But these outside influences often emphasize conflicting values—especially in pluralist liberal societies. In choosing among competing values (and reconsidering one's choices), individuals define and redefine both themselves and their life plans.⁶³ The moral imperative is that all individuals be given opportunities to form and revise their life plans "from the inside"—with as much autonomy and as few external constraints as possible.

Contemporary liberals also believe that humans have the capacity for instrumental rationality—that humans have the potential to make economic, social, and political choices that enhance the possibility that they will achieve their life goals. But in order to be fully rational, one must understand the options that are available, one must have information about the likely consequences of pursuing various options, and one must be able to make discriminating judgments about which options best serve the full range of values that are at stake—over the long haul as well as in a more immediate time frame. The extent to which humans are fully rational varies across individuals and within individuals as they develop intellectually. The moral imperative is to foster the intellectual development of each individual. Rather than denying the rational capacity of people and having authorities paternalistically choose what's best for them, liberals insist that humans must continuously develop their capacities to reason by being given opportunities to choose for themselves.⁶⁴

Contemporary liberal theorists also stress other human qualities that must be developed if liberal principles, institutions, and policies are to thrive. For example, in the sidebar entitled "John Rawls and His Liberal Theory of Justice," in this chapter, we pointed out that Rawls argues that people should avoid risky choices, overcome envy of justly acquired inequalities, and adopt principles of justice without regard to their own circumstances. Rawls understands that (some) humans are inclined to gamble, are envious of the greater wealth and power of others, and opportunistically choose "principles" that reflect their interests, but he suggests that these human weaknesses can be surmounted. It is thus imperative that liberal societies foster the moral development of humans.

Finally, liberals (contemporary as well as classical) accept the equality of being of each human. Despite existing differences in human values, rationality, and other capacities and talents, liberals accept the idea of **intrinsic equality**.⁶⁵ The moral imperatives of this idea are to regard conceptions of the good held by different people as being of equal value, to construct institutions as if no person is inherently superior to another, and to give equal consideration in policy making to the life plans and interests of each person.

⁶³Emily Gill, "Goods, Virtues, and the Constitution of the Self," in *Liberals on Liberalism*.

⁶⁴Dahl calls this imperative the "presumption of personal autonomy." See his *Democracy and Its Critics*, pp. 97–105.

⁶⁵Dahl, *Democracy and Its Critics*, pp. 84–88.

Society

Classical liberals viewed society as simply an aggregation of individuals and their interactions. Contemporary liberals believe that this view of society failed to recognize the social forces that influence individuals and bind them together. Contemporary liberals believe that societies are ongoing associations of various groups of people who attempt to live peacefully and tolerantly alongside each other, and that such groups have both common and conflicting interests that are most effectively governed through established liberal institutions. While societies can be relatively homogeneous racially, ethnically, and economically, most modern states are heterogeneous. Many groups form the **social pluralism** and diversity of liberal societies. People with common interests form associations to pursue these common interests, and the associations that are formed become the basis of human identity.⁶⁶ The best way to characterize a society is in terms of the associations that predominate within it, but associational arrangements will vary across societies. Countries like Great Britain, with a strong tradition of social classes, have developed strong parties and interest groups that reflect class divisions.⁶⁷ Countries like the Netherlands and Switzerland have evolved "consociational democracies," in which organizations representing the various ethnic groups in these societies play predominant political roles.⁶⁸ In Japan, corporations play key roles in social as well as economic life. In the United States, a wide variety of groups representing occupational, racial and ethnic, religious, and lifestyle interests have emerged, resulting in a "hyperpluralistic" society, one in which many people are simultaneously members of a variety of groups. Liberals doubt that any of these associational structures provides a model toward which liberal societies should seek to evolve.

Nevertheless, liberals believe that the social pluralism—the group and associational diversity—that exists within liberal societies is desirable and has several normative implications. First, individuals must be permitted to associate with others even if the purpose of their association is to oppose the existing authorities and policies of society.⁶⁹ Second, individuals should be encouraged to associate with a variety of groups in order to promote personal and

⁶⁶According to Lowi in the *End of Liberalism*, p. 31–41, pluralists like Arthur Bentley and David Truman played a key role in the emergence of contemporary liberalism. Initially, such pluralists believed that groups are simply the product of the common interests of particular kinds of individuals, but recent pluralists recognize that ongoing associations play a large role in defining the interests and life plans of individuals. See, for example, Charles Anderson, "Pragmatic Liberalism: Uniting Theory and Practice," in *Liberals on Liberalism*, p. 210.

⁶⁷Thus contemporary liberals acknowledge that Marxists and their ideological offspring are sometimes correct to point to classes as a fundamental characteristic of society. However, liberals stress that the importance of classes varies across communities and over time. For example, the importance of classes as a characteristic of British society may have declined in recent years. See Richard Rose and Ian McAllister, *The Loyalties of Voters* (Newbury Park, Calif.: Sage, 1990), chap. 3.

⁶⁸Arend Lijphart, *Democracy in Plural Societies* (New Haven: Yale University Press, 1977).

⁶⁹Liberals are less clear about extending toleration to groups which oppose liberal institutions and principles. Rawls suggests that intolerant groups, like fascist and communist organizations,

social stability.⁷⁰ Third, all groups have the right to seek power, and all legitimate interests should receive a fair hearing as issues are resolved. Fourth, while various groups need not have equal power, no group should be able to dominate other groups; existing inequalities in group power should reflect different groups' capacities to serve the public interest and the interests of justice.

In summary, contemporary liberals reject the idea of constructing political principles and institutions on the basis of some specific conception of society. Instead, they believe that a pluralistic society composed of many groups and associations should be promoted, as a means of providing multiple bases for individual attachment and identity. Such a pluralistic society should also disperse power broadly, in ways that prevent tyranny and authoritarianism and that promote freedom and democracy.

Epistemology

Most contemporary liberals have abandoned the Cartesian approach to the acquisition of political knowledge that formed the epistemological basis of classical liberalism. As we saw in Chapter 2, the purpose of Cartesian science was to discover indubitable truths about the physical and social worlds and about human psychology, so that humans could create economic and political arrangements conforming to the realities of the natural world. Contemporary liberals believe that this approach is fundamentally mistaken. There are no self-evident truths about the nature of the universe, society, and human beings from which the political principles of liberalism can be deduced. If liberalism is to be defended, it must be defended on some basis other than the Cartesian science used to defend classical liberalism. Contemporary liberals have provided a variety of alternative justifications for their political principles.

Perhaps the most influential defense of contemporary liberalism—at least among political theorists and philosophers—is the deontological justification offered by John Rawls. This approach is deontological because it gives “priority of the right over the good”⁷¹—it claims we can come to understandings about “what is right” without knowing “what constitutes the good.” Like classical liberals, Rawls argues that conceptions of the good and the good life are subjective. No conception of the good merits special protection or promotion by the liberal state. Such a state must be neutral with respect to the various conceptions of the good life held by various individuals and groups. Indeed, governments must protect people’s rights to be as free as possible in defining

should be tolerated if they are weak and liberal institutions are strong. But one of the primary obligations of a liberal citizen is to preserve and protect liberal institutions, and this can entail repressing those groups which become genuine threats to the persistence of liberalism. See, *A Theory of Justice*, pp. 216–221.

⁷⁰Group attachments root individuals within society. Involvement in a variety of groups provides conflicting views on current issues, moderating political demands. Group involvement makes participants less susceptible to authoritarianism and the appeals of demagogues.

⁷¹Rawls, *A Theory of Justice*, p. 396.

and pursuing their own life plans based on their own views of the good life. If people agree that their highest concern is to secure their right to pursue their own (perhaps unique) idea of the good life with as few political, social, and economic constraints as possible, such people should also agree that others have the same concern, prompting them to the further agreement—or implicit social contract—to be governed by liberal principles, institutions, and practices promoting that right. According to this argument, a liberal society is the unique outcome of the rational choice of all individuals concerned with the right to pursue their real choices about the good life. While this argument has certain features in common with the defense of classical liberalism which is based on the idea of a social contract and grounded in Cartesian assumptions of universality, this justification is not Cartesian because it explicitly recognizes that citizens' agreement on liberal principles and institutions depends on their holding the ideas of equal respect, nonrisky rationality, mutual disinterestedness, and ignorance of their natural and social circumstances. (See discussion in the sidebar entitled, "John Rawls and His Liberal Theory of Justice.") Because liberal theorists understand that these ideas may not be consensually held, they recognize that the justification for liberalism which is based on deontological, social contractual arguments is not absolutely or universally compelling.

A second set of justifications for liberalism claims that liberal principles and institutions are better than rival principles and institutions because adoption of liberal principles produces positive outcomes. One such claim is that "it is only in a liberal society that human beings can fully flourish."⁷² This argument asserts that liberal institutions best provide individuals the freedoms and opportunities to exercise self-determination, to take responsibility for their actions, to engage in collective deliberations about policy decisions, and to thus stimulate their moral and intellectual development. A second such claim is that liberal institutions promote social peace.⁷³ Unless groups with different conceptions of the good life accept the liberal idea of tolerating each other and develop institutions that ensure the fundamental rights of all individuals, they will continuously engage each other in "religious wars" and other such ideologically based conflicts, and live in fear that the strongest group will impose its vision of the good life on all others. A third such claim is that the adoption of liberal principles, institutions, and policies has contributed to social progress in many areas.⁷⁴ Such principles, institutions, and policies have reduced or eliminated many social and economic problems. They have brought about prolonged, stable economic growth. They have been able to regulate economic power, compelling businesses to pay attention to such public interests as protecting the environment. They have reduced income inequalities. They have

⁷²Gray, *Liberalisms*, p. 254. Gray attributes this argument to John Stuart Mill, T. H. Green, K. W. von Humbolt, and Ernest Barker. He finds it wanting.

⁷³Brian Barry, "How Not to Defend Liberal Institutions," *British Journal of Political Science* 20 (June 1990), pp. 4-5.

⁷⁴See, for example, Schwarz, *The Hidden Success of American Politics*.

increased equal opportunities for minorities, women, and other disadvantaged groups. They have contributed to stable and democratic distributions of power. In short, the institutions, principles, and practices of contemporary liberalism are justified because they have produced many benefits for people in everyday life.⁷⁵

A third defense of contemporary liberalism argues that it provides those principles and practices that are most suited to human fallibility and ignorance. In order to understand this argument, we must briefly consider the connection between science and liberal politics as presented by **pragmatists** from John Dewey to Charles Anderson. According to Dewey, it is a mistake to characterize science in Cartesian terms, as a dogmatic enterprise that seeks to establish absolute truths to govern human conduct. Instead, science is an open-ended activity in which humans who are ignorant of absolute truths and whose knowledge about life is a fallible attempt to improve their understanding through experimentation. Similarly, liberal politics—which is simply the “scientific method writ large”⁷⁶—is not the assertion of absolute principles about how to govern, but an open-ended process in which people seek to solve the concrete problems that they experience. The liberal political process involves organizing people to produce increasingly accurate and useful information about these problems and employing “social intelligence” to solve these problems. Dewey’s understanding of the link between science and liberalism was expanded upon by Karl Popper, who stressed that science could never verify a theory but could only falsify inadequate ideas and that all knowledge was thus tentative and subject to future revision. In *The Open Society and Its Enemies*, Popper argued that authoritarian, or closed, societies incorrectly presume that authorities can acquire absolute knowledge about the character of the good society and construct an all-powerful government having the knowledge to achieve such a society. In contrast, an “open,” liberal society resembles a true scientific community, (1) because people recognize that their political programs can never be proven, (2) because alternative ideas are always tolerated, and (3) because institutions exist that provide for orderly social change. More recently, Charles Anderson has argued that contemporary liberalism provides a set of practices that is particularly well-suited to solving practical problems in ways that reform current practices and make them correspond more closely to various liberal ideals.⁷⁷ Contemporary liberals seldom begin with absolute principles—such as maximizing economic efficiency or promoting economic equality—and then construct policies and practices corresponding to these principles. Instead, contemporary liberals enter political life “in midstream.” They become involved with particular projects—such as how to deal with toxic wastes or what courses should be required in a college

⁷⁵While such consequentialist arguments are important to the defense of liberalism, they do not provide proof of its desirability, because they make empirical claims that are sometimes contentious and because they assume that everyone values the claimed consequences.

⁷⁶David Ricci, *The Tragedy of Political Science* (New Haven: Yale University Press, 1984) p. 104.

⁷⁷Charles A. Anderson, *Pragmatic Liberalism* (Chicago: University of Chicago Press, 1990).

curriculum. They assess the performance of current practices in the area against many criteria—for example, Are such practices economical? effective? fair? responsive to the preferences of interested parties? They consider new ways of doing things and, using various criteria, evaluate how these reforms affect performance. Because various proposed reforms affect various criteria in different ways, there can be no absolutely and objectively best reform. But through political deliberation in which people apply various kinds of rational judgments, people can come to reasonable decisions to experiment with reforms promising enhanced performances of ongoing practices. In addition, such experiments are subject to continual appraisal and reappraisal. Contemporary liberals believe that such processes provide for continuous social progress even in the absence of absolute liberal principles—despite our uncertainty about what the good society is like, and despite our tentative knowledge about the effectiveness of reforms.⁷⁸ In short, because human knowledge about the good society is always limited and tentative, the best society and government is a liberal one which guarantees human freedom and which continuously deliberates over how to reform problematic social and economic conditions.

SUMMARY AND CONCLUSIONS

Perhaps the principle of **tolerance** best summarizes the outlook of contemporary liberals, but their idea of toleration extends well beyond the religious toleration emphasized by John Locke and other founders of classical liberalism. Contemporary liberals are more tolerant than classical liberals, because they recognize the fragility of their own philosophical foundations. They understand that liberal principles cannot be proved on the basis of indubitable conceptions of how the universe, humans, or society works. They recognize that allegiance to liberal principles depends upon acceptance of certain liberal values that can be questioned by those who are attracted to other ideologies. While contemporary liberals have a low opinion of absolutist and intolerant ideologies like communism and fascism, such liberals regard democratic socialism and contemporary conservatism (and such emerging ideologies as feminism and environmentalism) as their “friends” as long as these ideologies remain tolerant and friendly toward liberalism.⁷⁹ Contemporary liberals share some principles with their friends. Like democratic socialists, they are committed to more equality. Like contemporary conservatives, they are committed to the maintenance of capitalism. Like feminists, they support equal rights and opportunities for women. Like environmentalists, they recognize the need to address our environmental problems. And all of these ideologies share with contemporary liberalism a commitment to constitutional and representative democracy. Such overlapping principles provide the bases for broad support for fundamental liberal institutions and for building temporary coalitions on specific policy issues.

In addition to being “externally” tolerant of other pluralist ideologies, contemporary liberals are “internally” tolerant of the diversity within liberal societies. Liberals tolerate life plans and lifestyles that differ from their own. They tolerate the expression

⁷⁸Contemporary liberals may be contradictory on this point. How can liberals identify what constitutes social progress if they fail to have knowledge about what the good society is like?

⁷⁹Bernard Crick, *In Defense of Politics* (Middlesex, England: Penguin Books, 1982).

of various viewpoints regarding religion and morality. Liberals disagree among themselves about many practical political issues. Which social and economic problems should rise to the top of the political agenda? Which reforms best address important problems? Which competing principles (e.g., efficiency or equality) should be stressed when dealing with a particular problem? Because answers to such questions cannot be deduced from the abstract principles of contemporary liberals, those who think of themselves as liberals are often in conflict with other liberals on these practical matters. Contemporary liberals tolerate other liberals who disagree with them on specific issues, hoping to reach accommodation through further deliberation and hoping to reconnect with their disagreeable liberal friends on future issues. However, the fact that internal disagreement on specific issues is implied by the principles of liberal ideology dashes any hope for a united and disciplined liberal party.

Currently, contemporary liberalism is both enjoying unprecedented success and experiencing an enormous crisis. On the one hand, the demise of communism has led some observers to argue that ideological conflict is at an end, because liberal principles and values now reign supreme over much of the world.⁸⁰ Capitalism is being introduced into Eastern Europe. Despite conservative attacks on the excesses of contemporary liberalism, liberal welfare states remain strong in much of the world. Constitutional and representative democratic regimes govern an increasing number of nations. Support for expanding citizen rights is widespread. And the secular and material values that accompany liberalism seem increasingly to dominate cultures throughout the world. On the other hand, liberalism is under attack, denigrated as the awful "L-word," and the "liberal" label is avoided by politicians (even politicians having liberal principles) because liberalism has become associated—at least in many American minds—with big and intrusive government, bureaucratic domination, excessive business regulations that strangle the economy, reverse discrimination, coddling of criminals, moral permissiveness, and (especially) higher taxes.⁸¹ Perhaps contemporary liberalism is implicated in these problems, but solving such problems is what liberals like to do best. Given their commitment to and experience with reform, contemporary liberals may well be up to the task of reforming the society and politics they have created and, simultaneously, reforming their own political principles.

⁸⁰Francis Fukuyama, *The End of History and the Last Man* (New York: Avon Books, 1992).

⁸¹R. Emmett Tyrrell, Jr., founder of *The American Spectator*, is perhaps the most caustic critic of contemporary liberalism. His criticisms are summarized in J. David Hoeveler, Jr., *Watch on the Right: Conservative Intellectuals in the Reagan Era* (Madison: University of Wisconsin Press, 1991), pp. 207–231. For a more academic discussion of how liberalism is currently regarded in America, see J. Roland Pennock, "Liberalism Under Attack," *The Political Science Teacher* 3 (winter 1990).