

1920s and revolve (then as now) around whipping up fears of indoctrination and limited freedom. Alan Wolfe, director of Boston College's Boisi Center for Religion and American Public Life, argues that conservatism is not a movement of limited government, as it claims to be, but one of willful failure: Today's conservatives are so irate and extreme, and so obsessed with political advantage, that they not only cannot govern but will not govern. And Eric Liu and Nick Hanauer, authors of *The True Patriot*, make a strong and provocative case for a redesigned federal government, a government with large ambitions—indeed, even larger than its present ones—but with a far less controlling hand over how those ambitions are achieved. It's the kind of fresh thinking that we need right now, with one of the central pillars of our vision of society under sustained attack.

Enemies of State

Rick Perlstein

Historically, nothing has terrified conservatives so much as efficient, effective, activist government. “A thoroughly first-rate man in public service is corrosive,” the former president of the U.S. Chamber of Commerce argued in an interview published in the journal *Nation's Business* in 1928. “He eats holes in our liberties. The better he is and the longer he stays the greater the danger. If he is an enthusiast—a bright-eyed madman who is frantic to make this the finest government in the world—the black plague is a housepet by comparison.”

One reason: Governing well in the interests of the broad majority brings compounding political benefits for the party of government. Consider the famous December 2, 1993 memo by William Kristol entitled “Defeating President Clinton's Health Care Proposal.” The notion of government-guaranteed health care had to be defeated, he said, rather than compromised with, or else: “It will revive the reputation of the party that spends and regulates, the Democrats, as the generous protector of middle-class interests. And it will at the same time strike a punishing blow against Republican claims to defend the middle class by restraining government.” Kristol wrote on behalf of an organization called the Project for a Republican Future. The mortal fear is that if government delivers the goods, the Republicans have no future.

The fear easily escalates unto hysteria: Activist government is a fraud in its very essence, an awesomely infernal political perpetual motion machine. “THE

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LIBS PLAN TO DESTROY US,” runs a recent email circulating widely on the right. The text is mostly made up of a list of government departments, agencies, and programs, “many with mutable locations through the nation.” It goes on to explain, “The people employed in these offices generally earn 31% more than their civilian counterparts.” (In fact, controlling for education and experience, state and local public employees make less than their private-sector counterparts, according to a September 2010 report from the Economic Policy Institute.) “All are supported 100% by the American taxpayer employed in the private profit producing sector.” The hysteria cannot allow, for example, that more private profit has been created out of thin air by a government invention like the Internet than any in the history of man: “they are all parasites.” This essay now arriving in thousands of ordinary, everyday email inboxes concludes: “Before the 50’s the Democratic party was very much the party of the average working man. . . . [Then] the socialists in the party realized that one way for them to gain power and influence was by creating jobs . . . GOVERNMENT JOBS.”

Three texts, all from entirely different periods, all intended for different audiences, all pitched at radically different intellectual registers. Same story. It is the specter that haunts all conservative politics. It is not entirely unfounded: Democrats have certainly not been above exploiting activist government policies for apparently political ends. In the fall of 1936, going into the presidential election, FDR’s postmaster general, James Farley—the government official most associated with party patronage, and in fact Farley doubled as head of the Democratic National Committee—directed all post offices to hang a large, elaborate full-color poster urging “everybody working for salary or wage,” with “only a few exceptions,” to sign up for the new Social Security program. In giant cursive script, it promised “a monthly check to you—for the rest of your life beginning when you are 65,” and featured a picture of that check being handed out by a giant arm (Uncle Sam’s, presumably), the Capitol dome looming in the background.

It is the party that regulates and spends, the Democrats, announcing itself as the generous protector of middle-class interests. The party of conservatism, the Republicans, has labored mightily ever since to convince the populace that it is business, in fact, operating according to the profit motive, that is the generous protector of middle-class interests instead. Farley’s own career gives lie to the notion that government subverts prosperity by inhibiting the profit motive. By taking advantage of nationwide flight paths (another network unimaginable without government spending and regulation), the Post Office during the Depression began turning a profit. But then, government’s effectiveness only redoubles the political resolve of conservatism to fight against it. According to a certain reading—one detailed, for instance, in Kim Phillips-Fein’s outstanding recent

book, *Invisible Hands: The Making of the Conservative Movement from the New Deal to Reagan*—the history of conservative politics in America reduces to very little else. It is certainly one of conservatism’s most powerful lines of continuity across the twentieth century.

THE BIRTH OF “LIBERAL FASCISM”

If the abiding fear has been the “bright-eyed madman who is frantic to make this the finest government in the world,” one way conservatism has responded in its years in governmental power has been to install its own brand of bright-eyed madmen—bureaucrats who self-consciously understood their job as weakening the bureaucracies under their care. Richard Nixon, reading his 1972 landslide as a mandate for a hard-right turn in policy-making, pioneered this move by appointing conservative movement activist Howard Phillips as his head of the Office of Economic Opportunity, in charge of administering the War on Poverty. The Reagan Administration built up the obscure Office of Information and Regulatory Affairs into what historian Thomas Frank has described as “a mighty fortress dominating the strategic chokepoints of big government,” giving business lobbyists a chance to pass judgment on all new lines of federal regulation. And the Administration of George W. Bush (as Alan Wolfe notes in another essay in this symposium) similarly tapped anti-government administrators to run the government. The strategy has misfired, however, when held up to public view—for instance, when Bush had to withdraw the nomination of Michael Baroody, a scion of one of the conservative movement’s first families, to chair the Consumer Product Safety Commission. The appointment had become an embarrassment after it was revealed that it had been Baroody’s job, as lobbyist for the National Association of Manufacturers (NAM), to fight consumer product safety regulation.

More consistently, and more effectively, the work of subverting activist government has proceeded through what industry euphemistically calls “education.” Another way to describe it is paid propaganda. If the federal government’s infernal power to make direct payouts from the public treasury and to put voters on the public payroll has felt to conservatives like a form of legalized political cheating, they have responded with a form of cheating of their own. Between 1934 and 1937, NAM’s public-relations budget increased twentyfold, to \$12 million in today’s dollars, comprising *a majority* of the flagship business organization’s

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annual expenditures. “Don’t tell ’em, sell ’em,” was the watchword of the head of NAM’s PR efforts, a DuPont Chemical executive named J. Warren Kinsman. “In the everlasting battle for the minds of men,” he argued, only modern marketing techniques were “powerful enough to arouse public opinion sufficiently to check the steady, insidious, and current drift toward socialism.”

The du Pont family is infamous in American political history for sponsoring a conspicuous failure: the American Liberty League, a conservative attempt to politically unseat the New Deal coalition. It was never able to shake its reputation as a front for extremists and plutocrats. Its spectacular collapse by 1940 is one reason historians have traditionally considered the conservative political movement a dormant force through the 1930s, ’40s, and ’50s—a time, literary critic Lionel Trilling misleadingly pronounced, when there were “no conservative ideas in general circulation.” The PR efforts of figures like Kinsman were surely more effective than all that. In 1950—the same year the United Auto Workers’ (UAW) landmark “Treaty of Detroit” with General Motors secured pioneering cost-of-living adjustments and other generous benefits that seemed to point the way to the hegemony of a uniquely American form of social democracy—NAM circulated no fewer than 4.5 million pamphlets, publications, and comic books to schoolchildren arguing that ideologies like UAW President Walter Reuther’s were un-American and would spell the downfall of the republic. They watched NAM-distributed films that argued, 50 years before Jonah Goldberg’s *Liberal Fascism*, that it was the German public’s indifference to the expanding economic power of the state that produced Nazism. NAM carried an entire full-time staff to produce its national radio program, “Industry on Parade,” which proved surprisingly popular in the heartland, ranking among Oklahoma City’s top five programs and attracting more Milwaukee listeners in its time slot than “Meet the Press” (which unlike “Industry on Parade” did not feature its own singing group). NAM had another crew traveling the country to deliver two-day seminars to businessmen on how to “become better champions of the American way.” According to Elizabeth Fones-Wolf’s *Selling Free Enterprise: The Business Assault on Labor and Liberalism*, in 1954, “school superintendents estimated the investment in free material at \$50 million, about half the amount public schools spent annually on regular textbooks.” That exceeds a third of a billion in today’s dollars. By any stretch of the imagination, anti-government conservatism was an idea very much in general circulation.

A large part of such education was counter-education—wrenching workers away from what they were learning about how the world worked from their unions, to which one third of them belonged. The Foundation for Economic Education, formed in the great strike year of 1946, specialized in publishing

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pamphlets for placement in factory break-rooms: texts like “The First Leftists,” which argued that Reutherites were akin to the French Revolution’s Great Terror; “31 Cents,” on the alleged amount of taxes wasted from each dollar in wages; and “Roofs or Ceilings?” in which a young Midwestern economist named Milton Friedman argued that rent control was on the verge of rendering masses of American citizens homeless (the National Association of Real Estate Boards circulated half a million copies). The poetic key to such texts was well summarized by a cork manufacturer active in the movement: Unless citizens were “thoroughly grounded in knowledge of, faith in, and practice of the principles on which the American republic rests, they will be easy prey for demagogues.” The logic counterposes something akin to revealed truth—“principle,” “faith”—on one side, to a mere will to power on the other: “demagogues,” politicians willing to subvert civilization itself just for the sake of buying votes. “A monthly check to you—for the rest of your life.”

THE GENERAL (ELECTRIC) INTEREST

The ambit and ambition of such thinking would grow wider and wider across the decades. Consider the career of perhaps the most important injector of such ideology into the bloodstream of Americans who were not businessmen and did not work under them in factories. He bears the obligingly Dickensian name of Lemuel Ricketts Boulware, and he is perhaps the most influential American most Americans have not heard of. Beginning in the late 1940s, he was General Electric’s “vice president for public and community relations,” a job title that spoke to his globalizing ideological ambitions. His main job was merely negotiating labor contracts, but he understood the work as political guerilla warfare: figuring out ways to speak directly to workers, over the heads of their unions, in, as Boulware’s best historian, Thomas W. Evans, explains, “a constant campaign, going on each day for years.” Boulware compared the job of his 3,000 “Employee Relations Managers” to that of General Electric salesmen “giving a turbine customer the information and guidance that would cause the latter of his own free will to want to do what we recommended as to the selection of the equipment and the signing of the order.”

The techniques Boulware developed to achieve his goals were extraordinary and innovative. He convened what would later be known as “focus groups,” not only of the union members he was seeking to reach but their families, non-union workers, and community leaders like ministers and teachers. He was a craftsman and connoisseur of persuasion, dispensing the fruits of his research in an extraordinary volume of internal publications designed for easy memorization, frequently enunciating the rudiments of Austrian laissez-faire economics; their

titles included “How Big Are General Electric Profits—Are They Too Big?” and “The Fallacy of Using ‘Ability to Pay’ as a Guide to Wage and Benefit Levels” and “Who Told You These Fairy Tales—Do You Still Believe Any of Them?” The goal was redolent of the ideological warfare at the heart of the famous William Kristol memo: present the company as generous protector. Boulware instructed his Employee Relations Managers, “Be sure we are supplying—*are credited with supplying* [my emphasis]—the basic material rewards, the extra human satisfaction, and the assurance that good jobs with good pay and other attractions and rewards are the result of our diligent efficiency.” Don’t tell ’em, sell ’em: in this case, a total identification not merely with the corporation but the entire system of competitive enterprise itself.

Just the very act of advocating for adequate taxation, let alone any impulse to build the finest government in the world, is equated with expropriation.

This was ironic. The high tide of Boulwarism coincided, in the late 1950s and early 1960s, with a series of indictments of General Electric executives in the biggest antitrust conspiracy in the twentieth century. In its essence, the scandal was a series of interlocking schemes to fix the prices of everything from \$2 insulators to those selfsame multimillion-dollar turbines. It arose out of an economic atmosphere, during America’s postwar boom, when the great industrial giant was facing genuine competition in its various business lines for the first time in company history. The men who ran GE, according to one of their historians, took “a dim view of competition.” They also, at the very same time, took a dim view of what GE CEO Ralph Cordiner called “fantastically growing federal government,” “excessively high taxes,” and—that word again—“demagogues” in government “who are hunting for votes regardless of the economic and social consequences.”

The *droit du seigneur* thus revealed is highly significant: subverters of competitive enterprise arrogating themselves the right to define the meaning of competitive enterprise. The size of General Electric’s activist ambitions, meanwhile, radiated outward over time: reaching deeply into the culture of the cities in which its plants were emplaced (Boulware’s title, recall, was vice president for public and *community relations*); politically educating stockholders (Cordiner and Boulware were credited with coining the term “investor relations”); and guiding the entire citizenry responsible for creating, through their wise political behavior, a favorable “business climate” (another General Electric coinage) as against the socializing tendencies of government in cahoots with what Boulware artfully called (excluding the rank-and-filers he was aiming to reach) “the upper-crust of labor.”

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And, of course, they hired Ronald Wilson Reagan in 1954. While hosting “General Electric Theater” on television, Reagan traveled to GE factory floors across the country, giving speeches that evolved from Hollywood stories to Boulwarite ideological folk tales: “We have so many people who can’t see a fat man standing beside a thin one without coming to the conclusion that the fat man got that way by taking advantage of the thin one!” As Reagan converted GE’s rank and file to his folksy brand of conservatism, Boulware began in the late 1950s to organize monthly meetings with executives at other corporations on Gasparilla Island, Florida, with the aim of recruiting them, in the quintessentially Boulwarite formulation, “to go to work in their own and the rest of the public’s interest” by promoting “economic education, proper moral conduct under freedom, and political maturity that proofs people against the demagogues.” The spelling—“demagogues”—was borrowed from the anti-FDR ideologue, press baron, and English-spelling reformer Colonel Robert McCormick, who disseminated the political culture of government-hating across the Midwest. Conservative newspapers like McCormick’s *Chicago Tribune* served as a bridge between the 1928 Chamber of Commerce zealot who led off this essay and the executives who, in the wake of the popular radicalism of the 1960s and oil shocks of the 1970s, followed Boulware in organizing into ever more aggressive anti-activist-government lobbies like the Business Roundtable and American Council for Capital Formation.

ALWAYS THE PROBLEM, NEVER A SOLUTION

The danger, however, was always that same lingering plutocratic and extremist taint that took down the Liberty League in the 1930s. It took a Boulwarite to well and truly shake it. The red thread distinguishing anti-government conservatism in our time and all that came before it was the increasing sophistication by which anti-government sentiment severed itself from that taint. The ideology of industrial barons comes no longer to look like the ideology of industrial barons; it becomes popular folk wisdom instead. One word for this development is: “Reaganism.”

One vector, of course, was and continues to be race. In 1966, the year Ronald Reagan first ran for governor, Congress was also debating a landmark expansion of civil-rights law to outlaw discrimination in all private housing. Congressmen received more letters in opposition than they had on any previous issue in U.S. history. Homeowners in places like the Southwest Side of Chicago, where Martin Luther King Jr. marched for housing equality, sent their senators missives asking, “Is the ultimate aim the same as the Soviet Union when all property was collectivized?” Most, however, came not from homeowners but from realtors,

in a pioneering effort in business conservatism learning to cover itself in “grass-roots.” “Much of the opposition,” *The New York Times* reported, “was generated by the National Association of Real Estate Boards”—the same organization that circulated half a million copies of Milton Friedman’s 1946 anti-rent control pamphlet—“which has called on its 83,000 members to convince Congress that the proposal is ‘inherently evil and would sound the death knell of the right of private property ownership.’”

Arguments that salt-of-the-earth taxpayers were being done wrong by the vassals of something-for-nothing “tax-eaters” were easier to grasp when they came from charismatic communicators like Reagan, as opposed to, say, cork manufacturers, or even the real-estate agents down the street. The ease with which Reagan stirred union members into foot-stomping, anti-government frenzies startled media observers in 1966. They might have benefited from chatting with reporters on the labor beat, among whom, Thomas Evans observes, Reagan’s mentor Boulware “was reputed to understand blue collar workers better than anyone in the country.” Reagan also borrowed techniques from Dixie. The Republican strategist Lee Atwater described the state of the art with rare economy in a famous 1981 interview:

You start out in 1954 by saying, “Nigger, nigger, nigger.” By 1968 you can’t say “nigger”—that hurts you. Backfires. So you say stuff like forced busing, states’ rights, and all that stuff. You’re getting so abstract now [that] you’re talking about cutting taxes. . . . You follow me—because obviously sitting around saying, “We want to cut this,” is much more abstract than even the busing thing, and a hell of a lot more abstract than “Nigger, nigger.”

Just the very act of advocating for adequate taxation, let alone any impulse to build the finest government in the world, is equated with a zero-sum expropriation—of liberty, of property, or both—from the tax-paying citizen to deliver it, demagogically, to some tax-eating “Other” responsible for disturbing the expectation of bourgeois order that is every citizen’s natural birthright.

It took the rise of the religious right to devise ways to transmogrify government into an active and existential evil in and of itself. In turn, however, an increasingly sophisticated Washington D.C.-based conservative movement has turned moralistic piety to serve the larger pro-business conservative cause in ways unimaginable to the U.S. Chamber of Commerce in 1928. In 1974, for example, fundamentalist preachers and housewives in Kanawha County, West Virginia, crusaded against allegedly “ungodly” textbooks assigned by the local school board. Such localized crusades against cosmopolitan governmental interference in the intimate realm of family life—forcing gay schoolteachers on children, gay rights ordinances in

municipalities, striking religion from the public square—became routine in the 1970s. Also routine: Organizers from the Heritage Foundation in Washington descended upon West Virginia to link up the local activists with similar uprisings nationwide. In a feedback loop, conservative entrepreneurs fundraised nationally via direct mail by dramatizing the D.C.-intensified “local” outrages. The money raised by the likes of Richard Viguerie, the right-wing direct-mail pioneer who long described himself as an “anti-big business conservative,” was largely funneled into the same anti-government agenda championed since the rise of the administrative state over a century ago. In the fall of 2005, the Heritage Foundation quickly cranked out a series of position papers arguing that the failed response to Hurricane Katrina could largely be attributed to the rise of that selfsame administrative state.

In the minds of larger and larger segments of the public, government becomes an actively destructive force: always the problem, never a solution; and never, ever just the bugaboo of cork and power-turbine manufacturers who simply wish to make bigger profits any damned way they please. The latest attempt to abstract anti-government ideology from anything having to do with money: In the dominionist ideology of Republican candidates like Sharron Angle, government itself is construed as an ungodly false idol, violating the First Amendment by its very existence. The “monthly check to you” represented by Social Security is seen by more and more as instead a theft from the middle class; restraining it becomes conservatism’s gift to the middle class. The party of government itself, the Democratic Party, of its own, activist volition, passes a comprehensive health-care bill instructing the middle class that the federal government shall no longer just provide monthly checks to you for the rest of your life beginning when you are 65. It will require that you write the monthly checks to certain corporations that have now become generous protectors of middle-class interests, by official government mandate (though that must remain the subject for another essay).

Time marches on; the world turns. Conservatives, however, remain terrified. The black plague becomes a housepet by comparison. The libs plan to destroy us. Some things never change. ▀

Why Conservatives Won't Govern

Alan Wolfe

Testifying before a Senate subcommittee in May 2001, Joe Allbaugh, then director of the Federal Emergency Management Agency (FEMA), offered a short seminar in conservative political philosophy. “Many are concerned