Neoliberalism is a terrible name for an important movement. As the sole culprit at the christening, I hereby attest to the innocence of the rest of the faithful. They deserve something better, because they are a remarkable group of people.

Those I know best are my fellow journalists, including James Fallows and Gregg Easterbrook of The Atlantic, *Michael Kinsley and Robert M. Kaus of* Harper's, *Nicholas Lemann and Joseph Nocera of* Texas Monthly, *Bill Broyles, Jonathan Alter, and Walter Shapiro of* Newsweek, *and Randall Rothenberg, who wrote the first article about the movement in* Esquire. *But there are many others ranging from academics like Harvard's Robert Reich and MIT's Lester Thurow to a governor like Arizona's Bruce Babbitt to promising young senators like Bill Bradley of New Jersey and Paul Tsongas of Massachusetts. There's even a cell at that citadel of traditional liberalism,* The New Republic. *And three presidential candidates, Gary Hart, Ernest Hollings, and Reubin Askew—and one almost-candidate, Dale Bumpers—have been called or call themselves neoliberals.*

While we are united by a different spirit and a different style of thought, none of these people should be held responsible for all of what follows. Practicing politicians in particular should be presumed innocent of the more controversial positions. When I use the first person plural, it usually means some but not all of us, and occasionally it may mean just The Washington Monthly.

Charles Peters is the editor of The Washington Monthly. *This is a revised and expanded version of an article he wrote for* The Washington Post.

A NEOLIBERAL'S MANIFESTO

by Charles Peters

If neoconservatives are liberals who took a critical look at liberalism and decided to become conservatives, we are liberals who took the same look and decided to retain our goals but to abandon some of our prejudices. We still believe in liberty and justice and a fair chance for all, in mercy for the afflicted and help for the down and out. But we no longer automatically favor unions and big government or oppose the military and big business. Indeed, in our search for solutions that work, we have come to distrust all automatic responses, liberal or conservative.

Perhaps nowhere have the liberal and conservative responses been more automatic than in the areas of welfare and crime. On welfare, the liberal tends to think all the poor (or practically all) are deserving, the conservative that they are bums and cheats who drive around in Cadillacs. The liberal bleeds for the criminal, blaming society for his crimes, and concocting exotic legal strategies to help him escape punishment. The conservative, on the other hand, automatically sides with police and prosecutor. Each group eagerly seizes on evidence that supports its position and studiously averts its eyes from any fact that might support the other side.

These automatic responses, by keeping us from facing any fact that might not fit them, mean that we aren't considering all the approaches that might help us solve our national problems. The inadequacies of the automatic response became dramatically obvious with the emergence of the problems that began to cripple the nation in the 1970s: declining productivity; the closed factories and potholed roads that betrayed decaying plants and infrastructure; inefficient and unaccountable public agencies that were eroding confidence in government; a military with too many weapons that didn't work and too few people from the upper classes in its ranks; and a politics of selfishness symbolized by an explosion of political action committees devoted to the interests of single groups.

Behind the liberals' inability to deal with these problems were four observable if unacknowledged principles.

The first was Don't Say Anything Bad About The Good Guy. The feeling here seemed to be that any criticism of institutions they liked—the public schools, the civil service, and the unions are good examples—was only likely to strengthen the hand of their enemies. A corollary was Don't Say Anything Good About The Bad Guys, meaning the police, the military, businessmen (unless small), and religious leaders (unless black or activist). What all this meant was a shortage of self-criticism among liberals and an unwillingness to acknowledge that there just might be some merit in the other side's position.

The second principle was Pull Up The Ladder. In both the public and private sector, unions were seeking and getting wage increases that had the effect of reducing or eliminating employment opportunities for people who were trying to get a foot on the first rung of the ladder. If, for example, more and more of the library's budget was used to pay higher and higher salaries for the librarians in the system, there would be little or no money to hire new librarians or even to replace those who left. So the result was not only declining employment but declining service. In the District of Columbia, libraries that were open 70 hours a week at the beginning of the decade were down to 40 hours by its the end. The city of Los Angeles has eliminated 1,995 jobs while radically reducing its street repaving and its library hours. At the same time it increased to 75 percent the proportion of its budget devoted to salaries and fringe benefits, including $93,688 to its fire chief and $98,908 to its police chief.

In the case of the auto and steel industries, the continuing wage increases meant that the industries became uncompetitive and went into decline. For a while all this meant was that the workers already on the ladder were doing better than ever. There just weren't any new jobs. Then as orders declined, layoffs followed and younger workers began dropping from the ladder. And, finally, as whole plants were closed, many of the fellows who had been pulling up the ladder found themselves out of work, too.

During this time too many liberals followed the Don't Say Anything Bad About The Good Guy principle, and refused to criticize their friends in the industrial unions and the civil service who were pulling up the ladder. Thus liberalism was becoming a movement of those who had arrived, who cared more about preserving and expanding their own gains than about helping those in need. Among this kind of liberal there is powerful need to deny what they are doing, which means they become quite angry when it is exposed. When this magazine revealed that Washington's black upper class was pouring money into a fancy YMCA for its own use while neglecting the Y (now closed) that served poor blacks, there were howls of outrage. There is a similar reaction whenever we come close to suggesting that a poor black child might have a better chance of escaping the ghetto if we fired his incompetent middle-class teacher.

The third principle is The More The Merrier. The assumption here—and it is often correct—is that the more beneficiaries there are of a program, the more likely it is to survive. Take Social Security. The original purpose was to protect the elderly from need. But, in order to secure and maintain the widest possible support, benefits were paid to rich and poor alike. The catch, of course, is that a lot of money is wasted on people who don't need it.

Similarly, the original justification for the tax breaks for capital gains and mortgage interest was that they would stimulate investment in new plants and new housing, thereby creating new jobs. But the breaks were also given to trading in stocks that represented only existing plants and to trading in existing housing. This cost the treasury a bundle and the only new jobs it created were for stock and real estate brokers.

The fourth principle is Politics Is Bad And Politicians Are Even Worse. Liberalism entered the seventies having just depoliticized the last refuge of patronage, the post office. The catch was that in destroying patronage—the last nail in the coffin was a mid-seventies Supreme Court decision that actually held it was unconstitutional to fire a political appointee for political reasons—no one noticed that democracy was the first casualty. If democracy means we are governed by people we elect and people they appoint, then it is a not insignificant fact that the people we elect can now choose less than one percent of those who serve under them. Without the lifeblood of patronage, the political parties have withered and been replaced by a politics of special interest. And since liberals assumed that patronage was always bad, they could see no answer to the problem.

Opposed to these four principles of the old liberalism are the primary concerns of neo-liberalism: community, democracy, and prosperity.

Economic growth is most important now. It is essential to almost everything else we want to achieve. Our hero is the risk-taking entrepreneur who creates new jobs and better products.

Liberalism has become a movement of those who have arrived, who care more about preserving their own gains than about helping those in need.

"Americans," says Bill Bradley, "have to begin to treat risk more as an opportunity and not as a threat."

We want to encourage the entrepreneur not with Reaganite policies that simply make the rich richer, but with laws specifically and precisely designed to help attract investors and customers. For example, Gary Hart is proposing a "new capacity" stock, a class of stock issued "for the explicit purpose of investment in new plants and equipment." The stock would be exempt from capital gains tax on its first resale. This would give investors the incentive they now lack to target their investment on new plants and equipment instead of simply trading old issues, which is what most of the activity on Wall Street is about today.

We also favor freeing the entrepreneur from economic regulation that discourages desirable competition. But on the matters of health and safety, we know there must be vigorous regulation, because the same capitalism that can give us economic vitality can also sell us Pintos, maim employees, and pollute our skies and streams.

Our support for workers on health and safety issues does not mean support for unions that demand wage increases without regard to productivity increases. That such wage increases have been a substantial factor in this country's economic decline is beyond reasonable doubt. But—and this is a thought much more likely to occur to neoliberals like Lester Thurow than to neoconservatives—so have ridiculously high salaries for managements that show the same disregard for performance. The recently resigned president of International Harvester was being paid $1.4 million a year as he led his company to the brink of disaster.

We also oppose management compensation that encourages a focus on short-term profit instead of long-term growth. And we favor giving the worker a share in the ownership of his company.

In this connection, a perfect example of the neoliberal approach was provided by Paul Tsongas during the Senate debate over the Chrysler bailout. The United Auto Workers sought guaranteed wage increases for its members. Tsongas objected. Why should a company on the verge of bankruptcy pay wage increases? On the other hand, Tsongas realized that workers would feel exploited if their efforts produced profit for the company and it all went to the shareholders. The Tsongas solution was to give the workers stock instead of money. If their efforts helped save the company, they would not be suckers, they would share in the success.

Another way we depart from the traditional liberal's support for organized labor is in our criticism of white-collar unions for their resistance to performance standards in the evaluation of government employees. We aren't against government, period, as—with the exception of the national security apparatus—many conservatives appear to be. But we are against a fat, sloppy, and smug bureaucracy. We want a government that can fire people who can't or won't do the job. And that includes teachers. Far too many public-school teachers are simply incompetent.

Our concern about the public school system illustrates a central element of neoliberalism: It is at once pragmatic and idealistic.

Our practical concern is that public schools have to be made better, much better, if we are to compete economically with other technologically

advanced countries, if we are to have more Route 128s and Silicon Valleys. Our idealistic concern is that we have to make these schools better if the American dream is to be realized. Right now there is not a fair chance for all because too many children are receiving a bad education. The urban public schools have in fact become the principal instrument of class oppression in America, keeping the lower orders in their place while the upper class sends its children to private schools.

Another way the practical and the idealistic merge in neoliberal thinking is in our attitude toward income maintenance programs like Social Security, welfare, veterans' pensions, and unemployment compensation. We want to eliminate duplication and apply a means test to these programs. They would all become one insurance program against need.

As a practical matter, the country can't afford to spend money on people who don't need it—my aunt who uses her Social Security check to go to Europe or your brother-in-law who uses his unemployment compensation to finance a trip to Florida. And as liberal idealists, we don't think the well-off should be getting money from these programs anyway—every cent we can afford should go to helping those really in need.

The pragmatic idealism of neoliberals is perhaps the clearest in our reasons for supporting a military draft.

A draft would be a less expensive way to meet our need for military manpower because we would no longer have to use high salaries to attract enlistees. It would also be the fairest way, because all classes would share equally in the burdens and risks of military service.

Those who are drafted and opposed as a matter of conscience to military service should have the option of entering a domestic or overseas peace corps. But if that option is taken, the term of service should be three years instead of two; this should help guarantee that the decision is in fact one of conscience. In the long run we hope a draft will not be needed. We want to see a rebirth of the spirit of service that motivates people to volunteer to give, without regard to financial reward, a few years of their lives to public service, including military service. But for now we realize that the fear of being a sucker, if not just plain selfishness, will keep the upper classes from volunteering.

There is another reason for our support of a draft at the present time. We want to bring people together. When I was growing up, social classes were mixed by both the public schools and the draft. Today the sons of the rich avoid the public schools and scorn the military service. This is part of a trend toward separatism—not only by race but by class and interest group—that has divided the nation and produced the politics of selfishness that has governed this country for more than a decade.

The rise in the power of the interest-group lobbies has been accompanied by an increase in single-issue politics, with misleading oversimplifications of the other side's position—as on abortion, for example—and a tendency on both sides to judge a politician solely by his stand on this one matter.

I think the only possible salvation for this republic is a citizenry that is determined to inform itself on a broad range of important issues—and that will vote for an elected official on the basis of his or her stand on *all* the issues. We now have a Congress that is petrified of offending any single, passionate group—be they private boat owners or banks—and that won't change until the members know we're not going to throw them out of office on any basis other than overall performance.

If democracy means we are governed by people we elect, then it is a not insignificant fact that the people we elect can now choose less than one percent of those who serve under them.

The only way to destroy the escalating power of the lobbies is to destroy single-issue politics. Today everyone is imitating the National Rifle Association. That's the way to have a successful lobby. It's also the way to ruin America.

We have made dividing ourselves against ourselves into a virtue. While it is certainly necessary at times, the adversary approach to problems has come to dominate our national life, at a disastrous cost to all of us.

In industry, our adversarial system has been a major factor in making our corporations less efficient than their foreign competition. In Japan auto workers think about how they can improve their products; in America, they think about filing grievances. In theory the adversarial relationship between management and labor is supposed to act as a guarantee against antisocial behavior by either. In the seventies, however, it resulted in both sides taking what they wanted. And in such basic industries as steel and automobiles, this meant that we priced ourselves right out of an ability to compete with foreign producers.

The adversary relationship between Congress and the White House all too often paralyzes government. It has led to a situation where Congress cannot trust the information provided by the executive branch. As a result Congress has set up its own bureaucracy, including a budget office, to develop the same information that is supposed to be provided by federal agencies.

Finally, the adversary system of justice helps to create a society where differences are magnified, breeding suspicion and mistrust, instead of calmly reconciled. That's why we favor a no-fault approach to two of the major court-cloggers—divorce and auto accidents—and the use of mediation in most other cases. Mediators would not have to be lawyers. They could be elected by their neighbors or selected by the parties to the dispute.

Our reason for opposing a law degree as a requirement for mediators brings us to another fundamental tenet of neoliberalism. We have only the most modest regard for degrees or other paper credentials. People should be judged on their demonstrated ability to perform, not on their possession of a piece of parchment. The ultimate silliness of credentialism was revealed last year when a former major leaguer was for a time denied the right to coach high school baseball because he lacked a teaching certificate. The major leaguer was finally hired, but only, I suspect, because sports and the performing arts are the last areas of American life in which demonstrated ability is the only test for hiring, firing, and promotion.

If he had been looking for a job as an English teacher, a demonstration of superior knowledge of and ability to impart that subject to the young would probably have gotten him nowhere without an education degree. The irrelevance of the education degree to actual teaching ability is suggested by the fact that the degree is not required by the best private schools. What they care about is that the teacher can teach. Neoliberals share this concern with actual performance because they want to encourage productivity and discourage the bureaucratization that credentialism fosters and that has become one of the most severe problems in our government and in our large corporations.

The search for credentials is also undermining our economic prosperity. During the past academic year, 127,530 men and women were enrolled in law schools. These are among our ablest young people. If they had chosen productive work, they would have been on the cutting edge of the economic recovery we so desperately need. Instead, they spent the year sitting in some library, trying to focus their eyeballs on *Corpus Juris*. We have 15 times more lawyers per capita than Japan. Japan, with a population half our own, produces twice as many engineers a year.

"Anthropologists of the next century," Michael Kinsley has observed, "will look back in amazement at an arrangement whereby the most ambitious and brightest members of each generation were siphoned off the productive work force, trained to think like a lawyer, and put to work chasing one another around in circles."

Seniority is another enemy of the performance standard. Take the way the government has been carrying out its RIFs (reductions in force). People are being fired, not for lack of ability but for lack of seniority. Someone who has been around a long time can "bump" a younger employee even when the junior official is much more talented and dedicated.

This indifference to performance is not some abstract problem of public administration. It is central to the declining efficiency of both American industry and government. It even affects everyday life. If you doubt me and happen to live in Washington, just remember the next time your bus breaks down and you're sweltering in the heat that Metrobus is forbidden to consider actual job performance in promoting its mechanics.

The Reagan administration, to its great credit, is trying to do something about this, trying in the words of one official "to make job performance

the center of the federal personnel system." Neoliberals will support this effort. We are generally against Reagan's policies but not automatically so. Lincoln explained our reasoning in his speech in Peoria:

"Some men, mostly Whigs, who condemn the repeal of the Missouri Compromise, nevertheless hesitate to go for its restoration, lest they be thrown in company with the abolitionist. Will they allow me as an old Whig to tell them good-humoredly, that I think this is very silly? Stand with anybody that stands RIGHT. Stand with him while he is right and PART with him when he goes wrong. To desert such ground, because of any company, is to be less than a Whig—less than a man—less than an American."

A Revival of Politics

Snobbery, like the credentialism to which it is related, is another neoliberal target. The snobbery that is most damaging to liberalism is the liberal intellectuals' contempt for religious, patriotic, and family values. Instead of scorning people who value family, country, and religion, neoliberals believe in reaching out to them to make clear that our programs are rooted in the same values.

Take school prayer. While I easily can see how the custom of my youth, requiring children to recite the Lord's Prayer at the beginning of school, was offensive to nonbelievers, I also can see no reason to oppose a few minutes of silent meditation. During such a period those who want to pray can pray, and those who don't want to pray can think about baseball (which I often managed to do while reciting the Lord's Prayer), or anything else sectarian or nonsectarian they want to think about. If the teacher tries to make them pray, fire him. But there is absolutely nothing wrong—indeed there is great good—in asking young people to think quietly for a few moments about the meaning of it all. Yet many liberals see the prayer issue as one of the seminal battles of the enlightenment against the "hicks."

It is this contempt for the "hicks" that is the least appealing trait of the liberal intellectuals. Many of them, we have seen, don't really believe in democracy. Neoliberals do—we think a lot of those hicks are Huck Finns, with the common sense and good will to make the right choices if they are well informed.

Informing them properly means giving them a better education in politics and government, not just in the schools, but through the press. This in turn requires better teachers and reporters than we have now, teachers and reporters who know the history of the American political system and the lessons of its successes and failures—subjects largely ignored in our teachers colleges and journalism schools. Even in our most elite universities, few courses are organized in a way that permits the student to ponder, for example, the contrast between the Bay of Pigs and the Cuban missile crisis.

Since experience is the best teacher of all, if we truly are going to reform the American system of government, we need to give more Americans experience in government. We need more politics, not less—more good people running for office. Unfortunately, the worst form of snobbery in America today is the smug assumption that politics and politicians are inherently bad.

If you think for a moment about the kind of choices we've had in recent elections, you'll realize why we must have a lot more good people pursuing political careers. This in turn means offering enough opportunities to attract people to a life in politics. Today a person who starts out in politics

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has a tiny field of opportunity in the federal government—congressman, senator, president, and just 2,000 appointive positions.

What if we opened hundreds of thousands of federal jobs to political appointees, replacing through normal attrition roughly half the federal government's 2.8 million civilian employees? Give the new people two-and-a-half year appointments, with a limit of five years on the time they would be permitted to remain in government.

This would bring people with real-world experience into government, attract more risk-takers not obsessed with job security and provide a legitimate reward for political participation. If we don't want a system that runs on money, then we have to offer something else. What is better to offer to the people who push the doorbells and hand out the leaflets than the opportunity to participate in putting into effect the programs they have campaigned for? Their reward would be legitimate because the unqualified would not profit from it. Your sister Susie who can't type 50 words a minute would not be allowed to get that government typing job no matter how hard she worked in your campaign.

Because the jobs would be limited to a few years, we also would be constantly sending back into the ranks of the voting public people who have learned firsthand why Washington doesn't work and who have nothing to lose from speaking out about the reforms that are needed.

My God, you say, what if Reagan could begin making these appointments now? The answer is that you could vote him out next year and elect a president who would have both the right program and the power to put it into effect. And you would realize that accountable government won't work unless you are an acountable voter, so you would never again cast your vote carelessly or simply fail to go to the polls altogether.

There is no question, however, that restoring power to our elected officials does mean we have to watch them more carefully. That's why we need intelligent and diligent reporting, and that's why I would keep roughly half of government positions in the civil service. That leaves someone there to blow the whistle when the politicians go wrong, as sometimes they are bound to do. Civil servants would also provide continuity and institutional memory that would otherwise be lacking. But surely 50 percent can do that and still leave the other jobs to provide incentives for people to participate in politics and a dramatic increase in the number of people who understand the government.

If this approach had been in effect for even a decade, we would have a nation far better equipped to appraise the budget cuts that are said to be needed, who would have the sophistication to know exactly where to find them. We would have people in government who, because they'd spent most of their lives on the outside, would have genuine empathy for the problems of those on the outside. The lack of such empathy has been the most glaring deficiency of the bureaucracy in Washington.

What is the evidence that a system of democratic accountability would work better than the unaccountable civil service we have now? Those who were alive in the 1930s will remember that the post office delivered your packages intact and your letters on time, twice a day in fact. That postal system was political. If your mail didn't come on time you could complain to your congressman, and he would arrange for a new postmaster if he wanted to be reelected. The postal system became progressively less political in subsequent years and became completely nonpolitical in 1968. What has happened to your mail? What happens when you complain now? You probably don't even bother, which is why the present bureaucracy is so discouraging to democracy—the citizen who speaks up knows he is wasting his time. He calls Federal Express instead.

One problem of the new liberal is the way he is misunderstood by the old liberals. I am sure that most of them have read what I have written here as advocating a return to the days of the Vietnam

draft, robber barons, Tammany patronage, and coerced prayer. I have, of course, advocated none of those things. In each case I have said something different, and it is important that the old liberals attend to the difference.

At the same time, the new liberal must be willing to risk misunderstanding. Risk is indeed the essence of the movement—the risk of the person who has the different idea in industry or in government. That is why we place such a high value on the entrepreneur. The economic, social, and political revitalization we seek is going to come only through a dramatic increase in the number of people willing to put themselves on the line, to take a chance at losing all, at looking ridiculous.

Risk-taking is important not only in career terms but in the way one looks at the world and the possibilities it presents. If you see only a narrow range of choices, if you are a prisoner of conventional, respectable thinking, you are unlikely to find new ways out of our problems. Neoliberals look at the possibilities with a wide-angle lens. For example, some of us, who are on the whole internationalists and free-traders, are willing to consider such bizarre ideas as getting out of NATO, forgetting about the Persian Gulf, and embargoing Japanese cars.

One problem we're trying to address with such suggestions is that American industry's ability to compete has been seriously impaired by the amount of money we have spent in the common defense compared to our competition and that we must find some dramatic way to redress the balance.

But if neoliberals were to support an embargo on Japanese cars, it would be only for the time necessary to get the auto industry back on its feet and it would be conditioned on the willingness of management to cut prices to competitive levels and of labor to accept the wage reductions necessary to make the price cuts possible. Neither would agree to such steps now, but the fact that they are more open to such ideas than they were just a few years ago is one of the signs I see of a national movement toward neoliberalism.

You can find these signs in the fields of national defense, income security, and criminal justice as well in changing attitudes toward labor and management.

In the case of labor, the most heartening evidence has to be Weirton Steel, where the workers accepted a 32 percent wage cut to keep their company alive. They will not be suckers because they will own the plant and share in the future profits their sacrifice makes possible. It's better for a worker to keep a job by accepting $12 an hour than to lose it by insisting on $19. We specifically reject the Atari Democrat label, because we think such wage adjustments could mean our economic future lies just as much in revitalized basic industries as in high technology. The People Express Airlines model provides another hopeful sign. All the employees own stock, they are not bound by union restrictions on what they can and can't do and can pitch in wherever needed, and the result is the company is prospering in an industry that otherwise isn't.

People Express is also an example of neoliberal ideas in management. Its founder, Donald Burr, risked his entire savings on the enterprise. Hierarchy and bureaucracy are not favored; entrepreneurial, creative behavior and democratic organization are. And Burr extols the crucial importance of "making everything the common concern of all."

Other signs of neoliberal infiltration into management thinking are the growing contempt for merger-mania and its practitioners like William Agee; the rise to the top of the best-seller list of *In Search of Excellence*, a book excerpted here in December that describes successful companies as those that encourage innovation, risk-taking, and experimentation rather than constant study, traditional chains of command, and playing it safe; the widespread acceptance of the Robert Hayes-William Abernathy indictment of the hired-gun MBA and his focus on short-term results that bring luster to his resume and disaster to his company; and the increasing attention given to Robert Reich's emphasis on expanding the economic pie as against merely rearranging its slices. When Reich was published here, he was reaching 35,000 subscribers. But now his work appears in *The Atlantic*, where it reaches ten times that audience.

Other positions taken in the past by *The Washington Monthly* are now becoming respectable wisdom. One is that liberals should not content themselves with merrily opposing increases in defense spending but should find out on what weapons money is being wasted and on what weapons more should be spent. In other words, identify both the turkeys and today's equivalents of Britain's Spitfire in World War II, the weapons that we need to survive. Another is that the insanity defense is itself insane and that violent criminals, sane or insane, should be locked up on the basis of the danger they pose to society.

When we first planted our flags on these positions and looked around for the army we hoped was following, the field behind us was, if not totally empty, certainly not at all crowded. Now almost every day's paper brings a new evaluation

of a weapons system. And both the American Psychiatric Association and the American Bar Association are attacking the insanity defense.

On the income-security issue, the neoliberal approach has won small but significant victories as taxes were enacted in 1979 and this year on unemployment compensation and Social Security income above certain levels. These are steps toward the means test we advocate for all income maintenance programs. Our opposition comes from two sources. One is the Brookings Institution-type liberal who sees only incremental reform as realistic and therefore refuses to take radical solutions seriously. Then there are the old liberals who see a means test as hurting the feelings of the recipient. This could be called the Don't Embarrass Little Orphan Annie principle. The recipient is always seen as some pathetic child who would be humiliated to have to hold up his hand and say, "Teacher, my Mother and Daddy can't afford to pay for my lunch so can I please have one of those free school lunches for poor people?"

Neoliberals don't want children to endure such an experience either, and we oppose programs that require them to do so. But, by the time someone is an adult, shouldn't he be able to face reality, and say, I need help because I'm poor? Is not facing reality at the very heart of adult responsibility?

So we've traveled some of the way along the path. And that's good. But, frankly, I doubt if we'll make it the rest of the way without a rebirth of patriotism, a rebirth of devotion to the interests of the national community, of the conviction that we're all in this together and that therefore fair play and justice for everyone is the vital concern for us all. Robert McElvaine captured the model that should guide us in *Down and Out: Letters From the Forgotten Man in the Great Depression:*

"In letters that 'ordinary' Americans wrote during the 1930s, the overwhelming emphasis was upon themes of fairness and the necessity of justice. 'We are Poor People,' a group of Maryland WPA workers wrote to President Franklin D. Roosevelt in 1936, 'but we are human. We wish to be treated that way.' They went on to say, 'We feel you'll give us justice.' Similar sentiments were echoed in thousands of Depression-era letters. 'I knows and think that you feels our care and means right,' an anonymous correspondent wrote to F.D.R. in 1935, 'and you will do what is right if you knows the suffering of the people.' . . .

"The evidence that the major—although certainly not the exclusive—thrust of the current generation is toward extreme egotistical individualism is abundant. But the shift in values is not absolute. In all eras—and in most individuals—selfishness and compassion coexist. It is the mix of the two that varies. There is a tendency for the former to be more prevalent among the affluent, particularly if they are still on the rise or their positions are threatened. . .

"Seen in this light, the basic difference between the dominant values of the 1930s and the 1980s is that much of the middle class in the earlier period identified with the poor, whereas the bulk of Middle America now aspires to become like the rich. The Joads of *The Grapes of Wrath* sought survival and a decent life; the Joneses seek not merely to keep up with each other, but to emulate the Rockefellers to whatever extent possible."

During World War II, FDR proposed a $25,000 limit on all salaries. He saw the danger that people would lose the idealism of the struggle against depression and tyranny and become preoccupied with personal gain, that they would begin to forget about the national interest in pursuit of their own.

FDR may have been wrong in thinking people didn't have the right to get rich, but he was sublimely right in understanding that they shouldn't forget their nation and their fellow man in the process.

The title of *You Can't Take It With You*, the recently revived thirties comedy by Moss Hart and George S. Kaufman suggests another value underlying the $25,000 limit. The play is about the Sycamores and their household, a group of people who have risked making fools of themselves in the eyes of the respectable world, symbolized by the rich Kirbys, in order, in the director's words, "to fulfill their dreams as opposed to being in the rat race of keeping up with the Joneses and putting money as a symbol for success above everything else."

The Sycamores are, to say the least, a remarkably diverse group, but they all show great tolerance and good humor in dealing with one another. They don't pull up their ladder, they extend it to the world—finally even to the Kirbys, who need it spiritually, if not financially.

In many ways life was much tougher in the thirties than it is today, but there was, incredibly enough, a lot more sunshine in the soul and a lot more laughter in the land. That spirit is the heart of neoliberalism. Without it, we will never overcome the politics of self-righteous, self-pitying interest groups. With it, we can begin to listen to one another, rebuild community, and take the risks that can produce the just and prosperous democratic society we all want. ■