

STATE of the UNION 1994

The Clinton Administration and the Nation in Profile

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Edited by Richard Caplan and John Peffer

A Project of the Institute for Policy Studies

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and the
Nation in Profile**

edited by
Richard Caplan and John Feffer
Foreword by Barbara Ehrenreich

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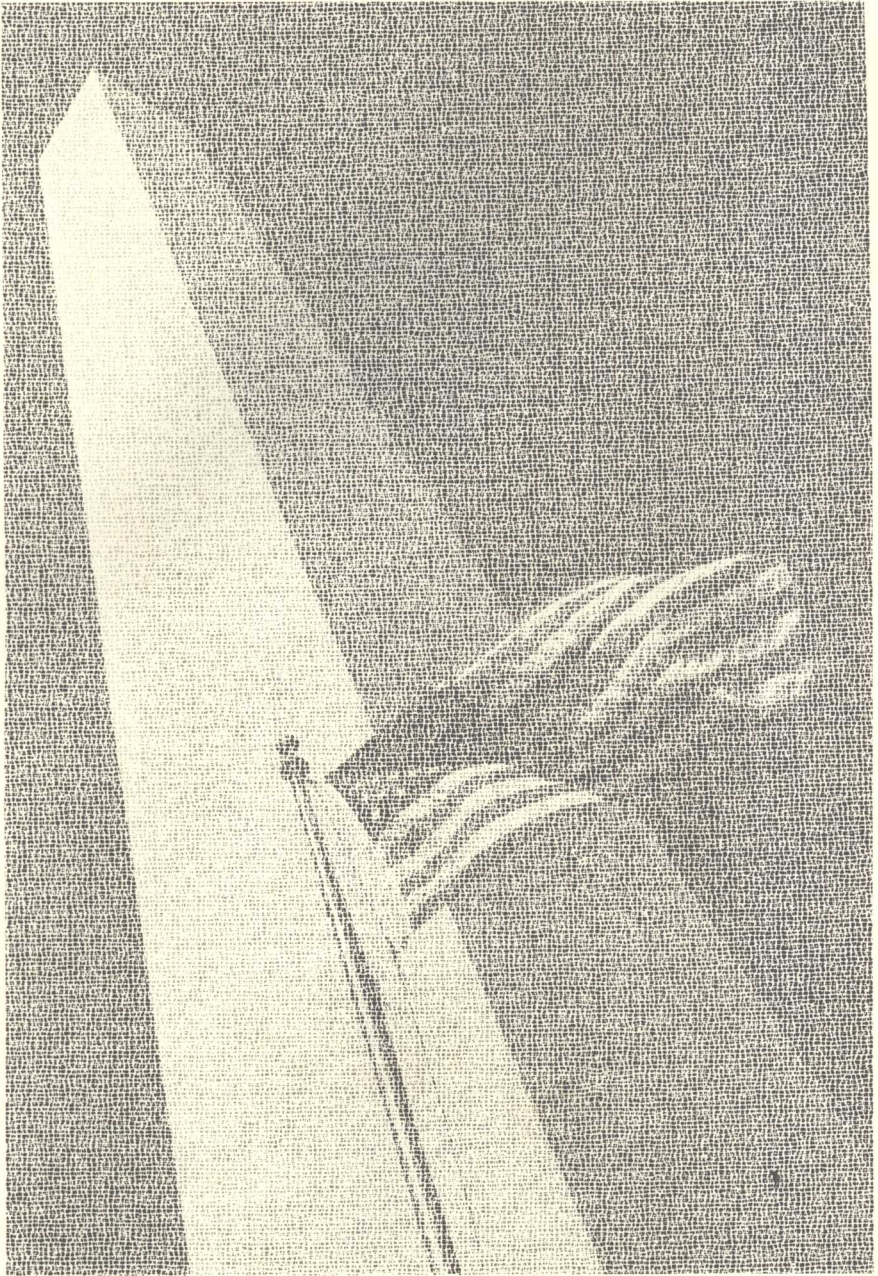
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Foreword

BARBARA EHRENREICH

Clinton rode into office on the promise of “change.” It was a safe, content-free slogan. After all, in recent years, the most radical proposals for change have come not from the Democrats but from the Republican right. “Change” could mean the further downsizing of government and neglect of social problems, or, of course, the reversal of these trends. When they went to the polls in 1992, however, most Americans had a good idea of what kind of change they wanted.

The prevailing sentiment was that the United States had been so busy rushing around the world “doing good”—defeating Communism, freeing Kuwait, delivering aid to Africa—that it had neglected to take care of its needs at home. We began to see ourselves as a militarily overdeveloped superpower in an advanced stage of domestic decline—a heavily armed warrior living, *Mad Max*-style, in a dilapidated hovel. We could accomplish almost anything abroad, it seemed, but at home the young were undereducated, the infrastructure rusted and rotted, jobs were scarce, crime worsened, and beggars multiplied in the streets.

There had been, in the last year of the Bush administration, an almost palpable sense of foreboding. The Republicans offered either the comfort of denial or the excitement of televised wars; it was always either “morning in America” or another “great test of our nation’s will.” But the frightening truth kept resurfacing in ways that were hard to ignore or repress: We were no longer “number one”—and often more like tenth—in measures of public health and standard of living. The Los Angeles riots in April 1991 showed what the price could be for the neglect of the urban poor. Even Hurricane Andrew joined a growing list of “wake-up calls”: The United States could mobilize a mighty military presence to beat back Iraqi forces in Kuwait, but it could respond only falteringly to a natural disaster on its own shores. We could house hundreds of thousands of American men and women in the Arabian desert but not in our own ruined cities.

Hopelessness added to the sense of decline. For more than a decade the Republicans had argued, first of all, that nothing was wrong and, second, that nothing could be done about it anyway. This was their oft-stated “law of unintended consequences”: Try to assist the poor, and you will only make them more “dependent” and demoralized. Try to regulate the economy, and you will only squelch the productive energies of free enterprise. Attempt to use the government for any purpose—other than law enforcement or military actions—and you will merely swell the deficit and the already bloated federal bureaucracy.

All problems should be left to Adam Smith’s “invisible hand,” according to Republican reasoning. If private business is not interested in cleaning up the environment or providing affordable housing or offering health insurance to the poor, too bad. An op-ed article by an anonymous federal employee, published in the *New York Times* in March 1991, acknowledged chillingly that the government “is no longer responsible for anything. The unequivocal message throughout the Federal bureaucracy is that nothing is to be accomplished by this Government except the creation of good feelings and the illusion of action.”

What had to change, then, was something that went far beyond the realm of politics. At some deep, subconscious level, we had ceased to believe that purposeful change was even possible. We no longer seemed to have any faith in our own capabilities—that we could size up a problem, decide what to do, and then proceed to get it done.

The great hope aroused by Clinton’s victory was that we might regain this fundamental sense of competence. No one could mistake Clinton himself for a liberal; he in fact came out of the most illiberal faction of the Democratic party. Yet everyone knew that he represented the long-lost idea of an “activist government.” Here was the chance, even many erstwhile Republican voters realized, to apply the same “can-do” spirit that characterized our many military interventions to the mounting social and economic problems at home. Clinton was young, smart, and, in marked contrast to his immediate predecessors, clearly engaged by the challenges of governing.

Now, almost a year into Clinton’s presidency, most of the optimism and good will that accompanied the inauguration has dissipated. For better or worse, Clinton’s precipitous slide in the polls has had little to do with any substantive programmatic issues. He underestimated the opposition he would encounter from the right on what should have been an almost cosmetic matter—the lifting of the military’s ban on gays. And he let support dribble away by waffling on dozens of issues large and small. Free vaccines for all children? A meaningfully sized National Service Program? Comprehensive health insurance for all? Maybe ... maybe not.

By mid-year it was clear that even “change” would be too strong a word for what was afoot in Democratic Washington. The economic plan that finally squeaked through Congress could have been written by the bondholders on Wall Street: The campaign theme of investing in America’s people and resources had been dropped for a Scrooge-like fixation on the deficit. Instead of an activist government earning its tax revenues through improvements brought about in people’s lives, we returned to the notion that government cannot be a means to a solution; it can only be another problem.

In foreign and military policy, the changes were even harder to discern. Military spending remained at Cold War levels, although there was no longer a Cold War going on. No moral principle guided the decision to re-bomb Iraq while ignoring the slaughter in Bosnia. If anything, we were back to the Reagan-Bush policy of using military actions, like hits of cocaine, to lift the national mood and boost the president in the polls.

The danger is that we will descend into even greater cynicism and hopelessness than marked the end of the Reagan-Bush era. If in three years, people can sigh and say, “We tried change, but it turned out to be exactly like no change at all,” and if “plus ça change” begins to sound more and more like “déjà vu,” then our national decline will only accelerate until there is nothing left to do but hang on for the ride.

This book was written by people who do not give up so easily. They are men and women who hold to the old-fashioned, quintessentially human idea that, given enough imagination and effort, any problem is potentially soluble. In the chapters that follow they take on all the issues that have so baffled and benumbed our elected leaders in the areas of foreign policy, the environment, poverty, gender and racial justice, taxes, and political reform. They offer hard-headed analysis and genuine, achievable solutions. This book, in other words, is about real change.

One hope in offering a volume like this is that it will fall into the hands of our political leaders, who will read it and cry out, “Aha! So that’s how you do it.” This is not a completely quixotic expectation, for what follows goes well beyond the usual liberal wish-list and familiar boilerplate. There are new and innovative ideas assembled here as well as vintage ones that have grown out of years of activism and discussion. Readers should feel free to take these ideas as their own.

But any canny political leader will quickly realize that the proposals outlined here cannot simply be willed into action. In every problem area under discussion, the solution will require a political confrontation with the interests that profit from the status quo—big business; corrupt politicians; defenders of racial, class, and gender inequality. There can be no real change, then, without the political mobilization of the people whose futures depend on it.

Whether or not this book rouses the Democratic administration to a new burst of legislative activism, it has a key role to play. The ideas presented here reflect decades of experience on the part of community organizers, labor advocates, grassroots environmentalists, and civil rights and feminist activists. If we are going to mobilize people for genuine, progressive change, there can be no better inspiration and guide than *State of the Union 1994*.

Contents

	Foreword, <i>Barbara Ehrenreich</i>	VII
	Introduction , <i>Michael H. Shuman</i>	1
1	Challenges of a New Era <i>Richard Caplan and John Feffer</i>	12
2	WORLD ECONOMY: Forging a Global New Deal <i>John Cavanagh, Robin Broad, and Peter Weiss</i>	29
3	FOREIGN POLICY: Promoting Democratic Stability <i>Richard J. Barnet</i>	46
4	NATIONAL DEFENSE: Meeting Real Security Needs <i>Robert L. Borosage</i>	63
5	NATIONAL SECURITY: Dismantling the National Security State <i>Marcus Raskin</i>	78
6	DOMESTIC ECONOMY: Investing in Our Future <i>Greg Bischak</i>	88
7	EMPLOYMENT: Creating Decent Work <i>Martin Carnoy</i>	102
8	TAXATION: Sharing the Burden <i>Ralph Estes</i>	121

9	ENVIRONMENT: Achieving Sustainability <i>Barry Commoner</i>	134
10	HEALTH CARE: Providing Comprehensive Coverage <i>Ellen R. Shaffer and Paul D. Wellstone</i>	151
11	THE DISENFRANCHISED: Eliminating Poverty <i>Teresa Amott</i>	166
12	RACE: Ensuring a True Multiculturalism <i>Gerald Horne</i>	184
13	GENDER: Guaranteeing Real Equality <i>Julianne Malveaux</i>	200
14	COMMUNITIES: Building Authority, Responsibility, and Capacity <i>David Morris</i>	214
15	DEMOCRATIC REFORM: Restoring Democratic Principles <i>Ralph Nader</i>	234
	ROUNDTABLE: Progressive Reform and the “Clinton Moment” <i>Heather Booth, Stanley Greenberg, Saul Landau, Joel Rogers, and Roger Wilkins</i>	250
	Notes	267
	About the Book and Editors	285
	About the Contributors	287
	Index	289

Introduction

MICHAEL H. SHUMAN

The United States is on the wrong track. That's what three out of four Americans told pollsters before the November 1992 election. Despite political rhetoric from both Republicans and Democrats about the nation being "number one" and "the sole superpower," more and more Americans expressed concern that their quality of life was deteriorating.

In fact, the signs of political, economic, and social decay are everywhere:

- Wages of production workers in America have declined 20 percent since 1973, as corporations have shifted millions of jobs overseas.¹
- The cost of health care has exploded, and a record number of Americans—37 million—are now without health insurance.²
- The ranks of the poor have officially swelled to 36 million, including 14 million children.³ Unofficially there are probably 60 million poor.⁴
- Crime in America is at an all-time high, even though our prison population is proportionally larger than that of any other country in the world.⁵
- Nineteen countries have infant mortality rates lower than that of the United States.⁶
- The United Nations calculates that if African-Americans comprised a single country, their level of development would rank thirty-one globally—at about the level of Trinidad.⁷
- Among the twenty most developed nations, the United States is first in divorce and teen pregnancy.⁸

- Despite a massive backlog of neglected domestic ills, the Pentagon continues to absorb 20 percent of the federal budget—over a third of it devoted to protecting Europe against an enemy that no longer exists.⁹

It's no wonder that 62 percent voted for "change" and swept the Republicans out of the White House. But thus far, the change brought about by President Bill Clinton has been underwhelming. As a result, a majority of Americans once again believe the country is heading in the wrong direction.¹⁰

Is this judgment of the American people premature and overly harsh? Just how healthy is the nation? What have been the accomplishments and the failures of the Clinton administration in its first year? What new policies should be emphasized in 1994? What kind of change does the country really need?

State of the Union is an effort by the Institute for Policy Studies (IPS) and its network of public scholars to answer these questions. The volume begins with an assessment of the opportunities and challenges the Clinton administration faced coming into office—the vast possibilities opened up by the end of both the Cold War and the Reagan-Bush era, and the manifold social, economic, and political difficulties it had to confront. Seventeen contributors then examine fourteen key problems and evaluate the progress made by the administration toward solving them. Finally, five leading political thinkers explore, in a roundtable discussion, the issue of translating progressive ideals into political reality. Spread throughout the book are graphs, diagrams, and various other indicators that depict the health of the country.

State of the Union is one of many projects that IPS has been working on since its inception in 1963 to define and promote progressive change in both foreign and domestic policy. IPS has occasionally produced volumes like this one mapping out where the country should go, but with *State of the Union* we hope to do this on a more regular basis.

Because we expect to produce other *State of the Union* volumes in coming years, we have not attempted to make this book comprehensive. Instead, we have concentrated on those issues that the Clinton administration has highlighted or that, in our view, deserve urgent attention. Important issues that are not directly discussed in this volume, such as education and crime, will be covered in future editions.

Progressive Change

The emphasis of this book and its contributors is on progressive change. Because the term "progressive" is used these days by everyone from

open-minded Republicans to Democratic Socialists, it warrants clarification.

In 1911, Sen. Robert M. La Follette of Wisconsin formed an insurgency within the Republican Party called the Progressive Republican League. La Follette's platform was to avoid war, strengthen unions, break up corporate trusts, tax income, lower trade tariffs, conserve natural resources, and open up the political system. These positions had deep roots in American history: in the anti-federalists who sought to decentralize political power at the birth of the nation, in the abolitionists like Frederick Douglass who risked their lives to end slavery, in the farmers revolts of the late nineteenth century that challenged the robber barons and usurious lending practices, in the tax resistance and civil disobedience of Henry David Thoreau, in the anti-imperialist writings of Mark Twain and W.E.B. Du Bois, and in the organizing efforts of Harriet Tubman, Emma Goldman, Eugene Debs, Mother Jones, and John Dewey.

Since La Follette's time, progressives have all but abandoned the Republican Party; instead they can be found almost entirely within the Democratic Party (though their loyalty there is waning). The key groups that made up the Progressive Party of 1912—conservationists, pacifists, labor organizers, suffragettes—remain the essential participants of the progressive movement of 1994, only now they call themselves greens, peace activists, trade unionists, and feminists. Joining their ranks are blue-collar workers, family farmers, minorities, and consumer groups.

Beginning in the late 1980s, the Democratic Leadership Council (DLC), under the guidance of its chair, Gov. Bill Clinton, attempted to blunt the influence of these “special interests” within the Democratic Party. It is more than a little ironic, therefore, and a testament to the absence of truth in advertising, that the think tank for the DLC should call itself the *Progressive Policy Institute* (PPI).

PPI was built on winning elections, not on promoting progressive change. Its seminal paper, “The Politics of Evasion,” published in 1988 and written by William Galston and Elaine Ciulla Kamarck, analyzed why the Democrats lost presidential elections in 1980, 1984, and 1988, and why they were doomed to lose the next election unless they changed course. PPI's thesis was that “upscale liberals” and Jesse Jackson supporters were leading the Democratic Party astray and driving white conservative voters into the hands of Republicans. Winning back the presidency required packaging a Democrat to appeal to these swing voters.

State of the Union, though written with the obstacles to political change in mind, is not a primer on electoral expediency. It grows instead out of the century-old tradition of progressive political thinking and activism. The aim of this book is to clarify, unify, and amplify progressive ideas and to present a set of coherent proposals derived from them. It is

our belief that the most promising basis for a successful electoral strategy is a clear, compelling political program that truly addresses the dire problems Americans face.

What exactly *are* progressive goals? Progressives can distinguish themselves today from most Republicans and Democrats on nine key issues:

- *Economic Security.* Republicans and Democrats believe in the free market as the most efficient allocator of resources and differ largely over how much of a social safety net to provide against the “creative destruction” of capitalism. Progressives, while not opposed to the free market and supportive of a safety net, believe that every American has the right to a basic level of food, clothing, housing, education, health care, and child care. This requires an active, effective government and the development of major social-welfare programs. Whatever the costs of these programs, they pale in comparison to the known costs of poverty—crime, drug abuse, family violence, malnutrition, suicide, ignorance, and political apathy.
- *Full Employment.* Both mainstream parties are satisfied with a “natural rate of unemployment” hovering between 5 and 10 percent. Progressives start with the assumption that no level of unemployment is acceptable. Every American has a right to a decent job, and the government has a responsibility to serve as the employer of last resort. There is no shortage of essential public needs—pollution clean-up, environmental restoration, housing rehabilitation, rural health care, highway construction—that today’s unemployed could be hired to address.
- *Economic Justice.* Progressives also are committed to reducing the extremes of rich and poor within countries and between the developed nations of the North and the developing nations of the South and East. Unlike Republicans and Democrats, they favor steep income taxes and wealth taxes on those who can pay. Progressives are not afraid to use the dreaded “R” word—redistribution.
- *Social Equality.* Everyone believes in equality of opportunity, but progressives also believe in creating special opportunities for victims of discrimination—women, ethnic and racial minorities, gays and lesbians, the handicapped. While money cannot just be thrown at inequality, it’s clear that serious government programs are needed to combat discrimination in schools, communities, and workplaces.
- *Sustainable Development.* Progressives are much more willing than Republicans and Democrats to enact tough regulations and reorient incentives toward industry to ensure greater use of renewable resources and lower levels of pollution. Progressives are prepared, if

necessary, to curb economic, scientific, or technological “progress” to protect species and ecosystems. Republicans and Democrats emphasize ever increasing personal consumption and economic growth while progressives emphasize sustainability. Progressives are also more open to changing their lifestyles to reduce their burden on the earth’s ecosystems.

- *Democratic Participation.* Republicans and Democrats are reluctant to support electoral reform, for fear of destroying their existing power base. Both parties have become institutionalized rackets for raising money and selling political influence. Progressives, in contrast, support dramatic changes in the political system, including proportional representation, participatory citizen boards, government financing of elections, and the elimination of barriers to the entry of third parties.
- *Demilitarization.* Unlike Republicans and Democrats, who together supported the development of a gigantic military-industrial complex and who now are content with only minor budget reductions, progressives would slash military spending, dismantle much of the Central Intelligence Agency, and remove other vestiges of the Cold War. One reason progressives feel comfortable shrinking the Pentagon is that they reject unilateralism, particularly the unilateral use of force. They believe instead in the virtues of multilateral cooperation. They would take some of the money now being squandered on aircraft carriers and B-2 bombers and invest it instead in international institutions like the United Nations and World Court that can often prevent and resolve conflicts with less violence.
- *Global Fair Play.* Republicans and many Democrats wish for a laissez-faire world order, in which corporations and goods—but not labor—can move more freely from country to country. Progressives favor a Global New Deal, with enforceable international rules of fair play to ensure that no corporation or country can profit by abusing human rights, workers, or the environment.
- *Community Empowerment.* Conservative Republicans are distrustful of all government, while liberal Democrats place their faith in the federal government. Progressives steer a middle course by emphasizing the role of communities, where citizens are most likely to achieve the ideals of self-governance.

To say that progressives support these goals is not to sweep spirited disagreements under the carpet. There’s plenty of debate over policies, strategies, and tactics, much of which can be found in this volume. Nevertheless, the convergence of thought not only among today’s progressives but also with numerous citizens movements throughout U.S. his-

tory suggests that progressive thinking and activism are likely to remain permanent, powerful features of the American political landscape—and possibly may become the basis for the nation's next major political party. The Democrats therefore would be wise to take notice that the consensus of the writers in this volume, who well represent today's progressive movement, is that the first year of the Clinton administration has been a profound disappointment.

A Gentleman's "C"

Washington began the year by embracing the self-proclaimed "New Democrat" from Arkansas with open arms. Clinton's inauguration was marked by two dozen spectacular balls (including one broadcast on MTV), concerts and parades featuring American icons from Michael Jackson to Cookie Monster, and handshaking that began with the president's early-morning jog and ended in the White House corridors in the wee hours of the morning. By June, however, pundits across the political spectrum had all but written off Clinton, and the public largely agreed. Rarely in modern times had pollsters registered such a precipitous drop in a president's popularity during his first 100 days in office.¹¹

To be sure, many of the carps against Clinton were nit-picking and the result of poor public relations. The media, incensed at Clinton's reluctance to hold press conferences and at his visible disdain for reporters, went into paroxysms over a \$200 haircut and the firing of the White House travel staff. But the president's problems went much deeper, as the reports by our contributors underscore.

Despite some inspired appointments, noble symbolic gestures, and moving speeches, the administration has done surprisingly little to alleviate the principal ailments afflicting America. This becomes clear as one reviews the record in each of the nine areas of critical importance to progressives.

Economic security? Clinton's first proposed budget had several constructive components: expansion of Head Start and the WIC (Women, Infants, and Children) program to include all eligible poor people; a \$21 billion increase in the Earned Income Tax Credit (over four years), to help bring working families above the poverty line; and modest increases for other entitlement programs, such as housing subsidies, Job Corps, and Legal Services.¹² But because Clinton placed these proposals in a larger package of deficit reduction and did not fight for other sources of funding (such as income-tax hikes or serious defense cuts), many were butchered by Republicans and conservative Democrats.

Full employment? Joblessness has dropped a few tenths of a percent since Clinton took office.¹³ Yet 8 million people remain officially unem-