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Conservatism with a kindly face?

IN DEFENSE OF THE WELFARE STATE

BY GEORGE WILL

IN 1964, a conservative citizen, speaking with the zeal of a convert, which he was, gave a nationally televised speech in support of Barry Goldwater's candidacy. The citizen denounced "people who view the tax as a means of achieving changes in our social structure." In 1981, in another speech, the same fellow said approximately the same thing: "The taxing power of government must be used to provide revenues for legitimate government purposes. It must not be used to regulate the economy or bring about social change."

Now, the consistency of Ronald Reagan's views is one of the wonders of American political life. But another wonder is that anyone, especially the fortieth President, would talk like that. No previous President has stressed as much as Ronald Reagan has the possibility and importance of changing society by changing the tax code. He obviously believes that public policies should reward and thereby nurture the attributes essential to strength (industriousness, thrift, deferral of gratification) and should discourage the attributes inimical to economic vitality (idleness, dissipation, self-indulgence). And he would not deny that laws establishing, protecting, and regulating the institution of property are examples of kinds of laws that have the effect, intended or not, of shaping the spirit of society. Tax deductions and tax exemptions are not alternatives to social programs. They are social programs. And unlike many such, they often achieve their intended effects. They alter behavior on a large scale for the advancement of chosen goals.

In the 1976 campaign for the Republican Presidential nomination, Reagan repeatedly said: "I've always thought that the best thing government can do is nothing." But surely the truth, regarding every significant aspect of social life, is that the one thing government cannot do is "nothing." This is true in two senses. First, a decision not to alter the status quo is a decision to do something. It is a decision to continue the public policies—the complex weave of laws and customs—that underlie any significant sphere of social action. Second, it is peculiar to speak as though laissez-faire policies amounted to government's

"doing nothing." Conservatives rightly cultivate a saving sense of the complexity of the social organism, a sense that protects society from the overbearing political pretense that government should or can superintend all relationships. But a "free-market" economic system is a system; it is a public product, a creation of government. Any important structure of freedom is a structure, a complicated institutional and cultural context that government must nurture and sustain.

Obviously "free speech" is not free in the sense that it is free of prerequisites; it is not free of a complicated institutional frame. Free speech, as much as a highway system, is something government must establish and maintain. The government of a country without the rare and fragile traditions of civility, without education and communication capabilities, could proclaim freedom of speech and resolutely stand back. But the result would not be free speech. It would be mayhem, and the triumph of incivility. Similarly, a capitalistic economic system, with all the institutions, laws, regulations, dispositions, habits, and skills that make it work, is not part of the constitution of the universe. It does not spring up from the social soil unbidden, like prairie grass. It requires an educational system, banking and currency systems, highly developed laws of commerce, and much more.

Many conservatives are fond of the epigram that the phrase "political economy" represents the marriage of two words that should be divorced on the grounds of incompatibility. But clear-minded persons can more reasonably object to the phrase on the ground that the adjective "political" is a superfluous modifier because any economic arrangement, is, by definition, a political arrangement. Try to define "the political" in a way that severs it from any ideas central to economic life—ownership, contracts, corporations, trade unions, the right to strike, antitrust principles. Of course, before the Depression nationalized concern with "the economy," the use of the definite article would have seemed odd. Even just sixty years ago, economic statistics were so rudimentary that the central government did not know how many people were employed, or wanted to be, or what the gross national product was. It had no need to know, in the sense that it acknowledged no clear responsibility for policies that required a sophisticated national information base. But since late October 1929, the public has felt bound up

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with a single economic dynamic, and this feeling has found consistent expression in a political fact: the President is held accountable for the aggregate economic performance.

Conservatives are understandably impatient with the familiar liberal formulation about "giving human rights priority over property rights." But conservatives, in their eagerness to put government in its place (which they think is down, and far away), argue just as fatuously that "only people produce wealth; government does not." Government produces the infrastructure of society—legal, physical, educational—from highways through skills; and that is a precondition for the production of wealth. The unlovely locution "human capital" reflects the impulse to reduce all social categories to economic ones. But it also reflects a recognition that investment must be made in people before they can be socially competent. And it is obvious, once you think about it, that government is, and must be, a major investor. Very stern adherents of laissez-faire doctrine object not just to the practice of redistributing income, but even to the phrase "distribution of income." They think it implies that income is not purely "earned" but is in part just "received" as a result of social processes rather than pure individual effort. But the social processes are undeniable. So when John D. Rockefeller told Congress, in all sincerity, that "the good Lord gave me my money," he not only defined regulation as impiety, he denied government's role in the generation of wealth.

IF WE ARE TO BE properly conscious of our politics, if our politics is to be properly conscious of itself, we must be wide awake to this fact: choosing an economic system, or choosing substantially to revive significant economic policies, is a political, which means moral, undertaking. It is the authoritative assignment of values, the encouragement of some behavior and values and the discouragement of others.

If conservatism is to engage itself with the way we live now, it must address government's graver purposes with an affirmative doctrine of the welfare state. The idea of such an affirmation may, but should not, seem paradoxical. Two conservatives (Disraeli and Bismarck) pioneered the welfare state, and did so for impeccably conservative reasons: to reconcile the masses to the vicissitudes and hazards of a dynamic and hierarchical industrial economy. They acted on the principle of "economy of exertion," using government power judiciously to prevent less discriminating, more disruptive uses of power. Today the conservative affirmation of the welfare state should be grounded in three additional considerations. They are considerations of prudence, intellectual integrity, and equity. A welfare state is certainly important to, and probably indispensable to, social cohesion, and hence to national strength. A welfare state is implied by conservative rhetoric. A welfare state can be an embodiment of a wholesome ethic of common provision.

The doctrine underlying the political economy of the American welfare state was enunciated in 1877, by Chief

Justice Waite, in *Munn v. Illinois*. The court upheld an Illinois statute regulating rates in grain elevators, holding that private property:

becomes clothed with a public interest when used in a manner to make it of public consequence, and affect the community at large. When, therefore, one devotes his property to a use in which the public has an interest, he, in effect, grants to the public an interest in that use, and must submit to be controlled by the public for the common good, to the extent of the interest he has thus created.

The opinion proclaimed an idea whose time did not come as social policy for several generations. But it has now come and is not apt to depart. For conservatives to doubt the strength and durability of this consensus is intellectually idle and politically feckless. This consensus cannot, of course, be allowed to erase the distinction between public and private spheres. That distinction is indispensable not only to the preservation of a tolerable degree of liberty, but to the preservation of public-spiritedness as well. It is essential to the habit of subordinating some private interests to the public interest. But conservatives must come to terms with the public's assumption that private economic decisions often are permeated with a public interest and hence are legitimate subjects of political debate and intervention.

The widespread belief that economic growth would democratize prosperity—that a rising tide would raise all boats—reduced the demand for redistributionist politics, in which political decisions would determine the allocation of opportunity and wealth. But when the social question is not just how to bake a larger economic pie, but how to carve the pie, then the stakes of politics become bigger, and politics becomes more bitter. Like it or not, that is a permanent question on the national agenda. It is so because an economic order represents a political choice, and is a government product. We are all in it together, as citizens.

AERICAN CONSERVATISM needs a Burke, a Disraeli—a self-conscious practitioner who can articulate the principles implicit in the statecraft he practices. Regarding the welfare state, conservatives practice politics more realistically than they preach. In 1953 the conservative party had a President for the first time in a generation, and that party had majorities in both Houses of Congress for the last time in more than a generation. Yet there was no attempt to undo what Franklin Roosevelt had done. Neither, however, was there an attempt to formulate a philosophically conservative rationale and program for the modern state.

A conservative doctrine of the welfare state is required if conservatives are even to be included in the contemporary political conversation. Conservatives need ways to make the welfare state more compatible with conservative values. Granted, a welfare state can aggravate the centrifugal tendencies of modern society. By enlarging the political allocation of wealth and opportunity, it can raise the stakes, and the temperature, of politics, making the state

itself much more a focus of contention than a force of cohesion. But by expressing a limited but clear ethic of common provision, a welfare state can be, on balance, unifying. It can nationalize concern for moderate and cooperative policies to promote the economic growth that alone can pay for general entitlements. A structure of public entitlements can do what private property alone cannot do: it can give everyone a stake in the stability and success of the social system.

What most conservatives know by intuition, and many liberals now know by experience, is this. Government is not efficient at providing goods and services. It is good at writing checks, and at providing incentives and disincentives that cause self-interested persons—that is, almost everybody—to behave in various ways. So a welfare state run on conservative principles will provide the poor with cash to buy necessities from the private sector, thereby reducing the need for an enormous social-service bureaucracy. And a conservative welfare state will provide incentives—such as deductions from taxes for medical-insurance premiums—to cause the private sector to weave much of the net of security that people demand in every developed, industrial society.

IN ADDITION to these conservative principles of government, there are social goals for a conservative welfare state. The first is to strengthen what Burke called the “little platoons” that are, even more meaningfully than individuals, the molecular units of society. Conservatives should be leading the fight for a welfare system that supports rather than disintegrates families. In addition, a conservative welfare state will use government to combat the tendency of the modern, bureaucratic state to standardize and suffocate diversity. To give just one example, a conservative welfare state would give to individuals tax credits—a tax subsidy—to offset tuition payments to private schools. This incentive to private education, especially at the secondary level, would stimulate competition against one of the nation’s most powerful lobbies and its strongest near-monopoly, public education. This is not to disparage public education. On the contrary, public policy should encourage a leavening diversity from private sources, and should encourage bracing competition from private schools, precisely because education is the most important public business, and because public schools always will and should have by far the greater number of students.

For nearly half a century conservatism was, or felt itself to be, in the political wilderness. Although there were some conservative Presidents and some conservative legislating majorities in Congress during this period, conservatism generally was a doctrine in, and of, opposition. During this period it became cranky and recriminatory. Therefore, a question posed by the coming to power of self-conscious conservatism is this: can there be conservatism with a kindly face?

Another question is: can conservatives come to terms with a social reality more complex than their slogans?

Conservatives rightly stress equality of opportunity rather than equality of outcomes. Conservatives are, therefore, fond of the metaphor of a footrace: all citizens should be roughly equal at the starting line of the race of life. But much that we have learned about early-childhood development suggests that “equality of opportunity” is a much more complicated matter than most conservatives can comfortably acknowledge. Prenatal care (which the “right to life” movement should regard as something of a “right”), infant stimulation, childhood nutrition, and especially home environment—all these and other influences affect the competence of a young “runner” as he or she approaches the academic hurdles that so heavily influence social outcomes in America. There is, of course, vast scope for intelligent disagreement as to what can and should be done to make “equality of opportunity” more than an airy abstraction. But surely it is indisputable that “equality of opportunity” can be enhanced by various forms of state action.

The most important reason conservatives should give for their vision of the welfare state is the most important reason for doing anything, politically. It is justice. Thomas Aquinas said that justice, which is giving individuals their due “with constant and perpetual will,” is a “habit” (*habitus*). Justice depends, therefore, on a certain disposition. It depends on—in a sense, it is—a state of mind. A society that is organized socially and justified philosophically the way ours is must take special care to supply itself with the rhetoric, institutions, and policies which encourage that state of mind. Neither the spirit of the age nor the premises received from the past (which have produced that spirit) will do the work. The political philosophy of modernity, taking its bearings from the strongest passions, does not emphasize, and so does not nurture, the habit of regarding our fellow citizens as united in a great common enterprise.

OUR ARRANGEMENTS have been ably explicated by those who arranged them. Federalist 51 is, with the possible exception of Federalist 10, the most important short essay on the American government and psyche. Remember: “This policy of supplying by opposite and rival interests, the defect of better motives. . . .” It is almost as though the Founders thought they had devised a system so clever that it would work well even if no one had good motives—even if there was no public-spiritedness. But unfortunately, just as there are social roots of political behavior, there are social consequences of political behavior—and political expectations. A notion that announces, at its outset, that it can dispense with “better motives” than self-interest in politics does not encourage self-restraint, self-denial, and moderation in any sphere of life. But democracy subverts itself if it subverts the habits of self-restraint, self-denial, and public-spiritedness. That danger defines the drama of democracy in a commercial nation, a nation devoted to inflaming and satisfying appetites.

Now, just a myth can be conducive to reasonableness in

societies, self-interestedness can be conducive to the public interest. The obvious virtue of laissez-faire economics is the voluntary performance of many socially useful functions. Its vision of a relatively frictionless mechanism of social adjustment is at once rationalistic and romantic. It is hard to say which is more American, romanticism or capitalism. Perhaps it is wrong, in America, to distinguish them.

Modernity, by assigning to man a clear but demoralizing function as an instrument of production, provoked a romantic reaction, most potently from a romantic masquerading as a "scientific" socialist: Karl Marx. But the case De Tocqueville made for our world should not be dismissed:

The principle of self-interest rightly understood produces no great acts of self-sacrifice, but it suggests daily small acts of self-denial. By itself it cannot suffice to make a man virtuous; but it disciplines a number of persons in habits of regularity, temperance, moderation, foresight, self-command; and if it does not lead men straight to virtue by the will, it gradually draws them in that direction by their habits. If the principle of interest rightly understood were to sway the whole moral world, extraordinary virtues would doubtless be more rare; but I think that gross depravity would also be less common.

I understand, and really am reasonably cheerful about, the irrevocable triumph of modernity in justifying social orders based on wide release of passions and appetites. That is why I am so concerned about the shaping of passions and desires in the direction of virtue. By virtue I mean nothing arcane or obscure. I mean good citizenship, whose principal components are moderation, social sympathy, and willingness to sacrifice private desires for public ends.

THERE ARE THOSE who will say, as Hume did, that the principles of civic virtue are noble, "but as these principles are too disinterested, and too difficult to support, it is requisite to govern men by other passions, and animate them with a spirit of avarice and industry, art and luxury." And how soothing modernity is in asserting the easy reconciliation of private pursuits with public exigencies. But some "surgeon general of the soul," noting the problematic relationship between the premises of modernity and the social ground of civic virtue, might wish to place a warning on modern society like that found on cigarette packages: Warning—the ethos of this society may be harmful to your moral health.

John Stuart Mill wrote, "The spirit of a commercial people will be, we are persuaded, essentially mean and slavish, wherever public spirit is not cultivated by an extensive participation of the people in the business of government in detail." He may or may not have been correct about his fear and his prescription. But he unquestionably was correct about the need to plan ahead for public-spiritedness.

We need to know more about the policies and processes, the fabric of rights and duties, the sorts of involvements in particular institutions public and private, that are apt to summon the better angels of the citizenry's nature.

Unfortunately, the social sciences have lost their nerve—not without reason—at a moment when we need a sociology of civic virtue, of public-spiritedness. Nevertheless, political philosophy must begin with this premise: reflection about how the individual should live is inseparable from reflection about the nature of the good society. Today we need an argument about the connection between the society we have and the kinds of individuals we want American life to nurture. This argument must involve more than the Republican and Democratic arguments about the most expeditious way to orient politics to the increase of material well-being. The argument between Manchester and Massachusetts liberalism is not unimportant in terms of public policy, but it does not reach philosophic fundamentals. All economic arrangements, whatever the mixture of free trade and protection and subsidies and entitlements, should be discussed as expedients. They should be evaluated in terms of the contributions they make to the things we value fundamentally, the things involving important political principles: equality of opportunity, neighborliness, equitable material allocation, happiness, social cohesion, justice. The idea of a finally "correct" equilibrium of ingredients of economic policy—the precisely right recipe of market and state allocations of wealth and opportunity—is a chimera. As Disraeli said, "Finality is not the language of politics."

HAVING DECIDED at the outset that all men are, self-evidently, created equal, Americans have spent two centuries pondering equality. There has never been any doubt that certain inequalities are constitutive of sound social policies; they are prerequisites for desirable social ends. A society determined to have rapid economic growth through predominantly private market mechanisms must provide the requisite rewards for the persons most proficient at generating wealth; and that means inequality. A just society is not one in which the allocation of wealth, opportunity, authority, and status is equal. Rather, it is one in which inequalities are reasonably related to reasonable social goals. Therefore justice, as well as elementary utilitarian considerations, requires a hierarchy of achievement. Furthermore, equality, when defined in terms of rights derivative from passions, is not conducive to community. And questions as to how much equality of material condition society needs or morality demands or the economy can stand are less interesting than this question: how equal a distribution of ideas and sentiments is needed for social cohesion and all that derives from it? Such cohesion depends on a revived sense of citizenship. That sense depends on rehabilitating from the ravages of modern thought and practice the status of the political vocation and of government. The place to begin is with the task of putting economic argument in its place. That place, as Jefferson and Hamilton understood, is within the political argument, and subordinate to political choices. Only then shall we have a politics that nurtures the spiritual in a nation that is predisposed by its modernity toward preoccupation with the material.