## Why Liberalism Works

Conservatism is in shambles; liberals have a new opportunity. But what do they stand for? Not mere high-mindedness. Liberalism is a practical strategy for a free society—and for solving the mess conservatives will leave behind.

BY PAUL STARR

so much so that in the years after World War II, many historians and social scientists regarded the liberal project and the American civic creed as more or less the same. The proposition that each of us has a right to "life, liberty, and the pursuit of happiness" remains as good a definition as anyone has ever come up with of liberalism's first principle and America's historic promise.

For some time, however, contemporary liberalism has been under political siege in the United States, and even liberals have at times appeared uncertain about what they stand for. In recent decades, national political leaders who are unquestionably liberal have often been unwilling to say so and unable to articulate a compelling public philosophy, while public-opinion surveys show that many Americans who support liberal positions do not identify themselves as liberals.

Lately, though, the right has been facing its own loss of confidence. No one, not even conservatives, doubts that conservatism is now in deep trouble: divided, uncertain of itself, and with a lot of explaining to do for the fiasco in Iraq. Yet the exhaustion of conservatism is not tantamount to a liberal revival. The Bush administration's manifest failures and the Democrats' triumph in the 2006 elections have created a new opening for liberal argument. The question is now whether liberals can make their case not just for specific policies and candidates but for an alternative public philosophy.

The Bush years have left America with more than just the disaster in Iraq to resolve. Conservative political leadership has failed to confront, and in critical respects has contributed to, some of our most serious long-term problems: growing economic inequality and insecurity, structural deficits in the federal budget, grave threats to the global environment, and increased hostility abroad toward the United States. America needs a different approach rooted in the inclusive, democratic partnerships that are central to the modern liberal tradition—a partnership at home built on the basis of a shared prosperity, and an international partnership in power built on the basis of a cooperative framework of security.

At its heart, the aim of the liberal project is today what it has

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always been: to build a free, fair, and prosperous society. But liberalism ought never to be confused with mere high-mindedness; it calls for a practical politics, whose ways and means necessarily evolve in response to new conditions and new understandings. A readiness to confront new conditions and absorb the lessons of experience is all the more necessary in a philosophy that asks to be judged by its real effects on human freedom and happiness and the power and peace of nations. Liberalism stands not only for the principle that we all have an equal right to freedom but also for the hypothesis that this is a workable ideal, and that a politics based on liberal principles can produce the power and wealth that make a free society more than a dream.

LIBERALISM IS NOTORIOUSLY DIFFICULT TO DEFINE. THE TERM has been used to describe a sprawling profusion of ideas, practices, movements, and parties in different societies and historical periods. Often emerging as a philosophy of opposition, whether to feudal privilege, absolute monarchy, colonialism, theocracy, communism, or fascism, liberalism has served, as the word suggests, as a force for liberation, or at least liberalization—for the opening up of channels of free initiative.

As a political philosophy in the Anglo-American world, liberalism has two primary senses. In its broader meaning, it refers to the fundamental principles of constitutional government and individual rights shared by modern liberals and conservatives, though often differently interpreted by them. This tradition of *constitutional liberalism*—classical political liberalism—emerged in the 17th and 18th centuries, culminated in the American and French revolutions, and continues to provide the foundation of the modern liberal state. The classical liberals generally stood for religious liberty, freedom of thought and speech, the division of governmental powers, an independent civil society, and rights of private property and economic freedom that evolved in the 19th century into the doctrine of laissez-faire.

Modern democratic liberalism developed out of the more egalitarian aspects of the tradition and serves as the basis of contemporary liberal politics. The relationship between liberalism in these two phases has been predominantly cumulative:

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While rejecting laissez-faire economic policy, modern liberalism continues to take the broader tradition of constitutional liberalism as its foundation. That is why it is possible to speak not only of the two separately but also of an overarching set of ideas that unites them.

Yet even within the Anglo-American liberal tradition, intellectuals and reformers have started from different premises about human nature, society, and history and have held different views about many matters of deep importance to them, including religion. Historically, liberalism has been defined by a shared, albeit evolving, body of political principles rather than by agreement on the ultimate grounds on which those principles rest.

One of those shared political principles is an equal right to freedom, where freedom has been successively understood during the past three centuries in a more expansive way: first, as a right to civil liberty and freedom from arbitrary power; then, as a right to political liberty and a share in the government; and finally, as a right to basic requirements of human development and security necessary to assure equal opportunity and personal dignity.

Although I have described these ideas as a series of rights, they imply corresponding responsibilities that a liberal society expects of its members, individually and collectively. Inasmuch as individuals enjoy rights to civil liberty and freedom from arbitrary power, they are responsible for their own actions and what they make of their lives.

Inasmuch as citizens enjoy a right to political liberty and a share of their government, they have the responsibilities of citizenship to make democracy work.

And inasmuch as the members of a liberal society have a right to basic requirements of human development, such as education and a minimum standard of security, they have obligations to one another, mutually and through their government, to ensure that conditions exist enabling every person to have the opportunity for success in life.

The liberal project may be defined as the effort to guarantee these freedoms and to create the institutions and forms of character that will lead a people to assume responsibility, not as an external burden imposed upon them but from a force within. This is only a preliminary definition, however, because liberties come into conflict with one another and with other interests, and there must be a way of adjudicating among them that is consistent with the deepest interests in freedom and the public good. Moreover, liberalism consists of principles not only for a just society but also for the design of a state capable of sustaining that society in a world that is far from ideal.

This concern for creating a capable and effective state is critical to understanding how and why liberalism works. Constitutionalism itself, and even more so a liberal constitution with its emphasis on the protection of individual rights, is a system of enabling constraints. The constraints shield individuals from

tyranny, but they also strengthen the state's power to act on behalf of its citizens. Checks and balances, requirements for transparency in decision making, and public accountability for performance reduce the odds of capricious, reckless, or self-interested decisions by those in power. Public discussion invites ideas and information that autocrats do not receive or are unlikely to heed. A constitutional state that observes the rule of law is more likely to abide by its promises, pay its debts, and enjoy better credit and lower interest rates. Guarantees of rights, including property rights, enable individuals to make long-term plans and investments and create a more productive economy that redounds to general advantage. Guarantees of religious freedom allow people of different faiths to cooperate under a political order that does not threaten to extinguish any of the various theological doctrines they support.

In short, it is an error to see guarantees of liberty as a source of state weakness. From its beginnings in 17th-and 18th-century England and America, constitutional liberalism contributed to the development of states that proved not only economically but also militarily

(Sketch)

successful, even when challenged by regimes more devoted to martial values.

The classical liberal tradition, however, had severe limitations. The liberalism of the 18th and early 19th centuries was not democratic in a sense we would recognize today: The majority of people—men without property, racial minorities, and women—were denied political rights and full citizenship. In the 19th and early 20th centuries, laissez-faire economics provided a framework of law and policy for industrial capitalism's dynamic growth, but it left most work-

ing people in insecurity and poverty. In the same era, while often favoring social reform at home, liberal imperialists supported Western colonialism. The resulting conflicts and disasters nearly brought liberalism to ruin. The old liberal order of limited government, classical economics, and colonialism went up in flames amid total war and the Great Depression, and fascism or communism could easily have emerged from the wreckage to dominate the world.

Modern liberalism, however, transformed its classical inheritance into a genuinely democratic politics that proved stronger and more effective in both war and peace than its critics expected. Liberals now called for true political equality for all, aimed to bring raw capitalism under control in the interests of an expanded circle of opportunity, and supported national self-determination for all peoples and new forms of cooperation among states to promote democracy, human rights, and international peace and security.

Every step of the way, conservatives objected to these movements toward a wider democratic partnership, but as of the mid-20th century, liberals had won the argument decisively and had built an electoral majority in support of it. The prevailing view in the liberal democracies held that the extension of political and social rights and economic regulation was not only just but also the basis of a more productive society. And cooperative international organization, far from being a naive delusion, was plainly necessary to meet the twin threats posed by communism, on the one hand, and nuclear extinction, on the other.

not just about government's proper role but more fundamentally about how to produce power and wealth and advance equal rights to freedom in the process. Liberals have insisted that government can take on broader functions without sacrificing individual freedom as long as the law provides strong safeguards against arbitrary power. Modern liberalism, therefore, calls not just for broader social protections but also for stronger guarantees of civil liberties and less government regulation of private moral life. In contrast, modern conservatism has become a combination, in varying degrees, of devotion to the free market and social traditionalism. Each side of conservatism has provided a justification of inequalities that liberalism has attempted to reduce or eliminate.

The two political philosophies offer contrasting ways of resolving conflicts among liberties. Conservatives have generally given higher priority to property rights and, accordingly, to the rights of those with property, whereas liberals have given higher priority and broader scope to other constitutional liberties and civil rights, often those of the historically disadvantaged.

Conservatives and liberals have also responded differently to a phenomenon that did not exist in the 18th century when constitutional liberalism took shape: the modern corporation. While conservatives have treated private corporations as analogous to individuals and deserving of the same liberties, liberals have regarded corporations as a phenomenon of power,

needing control like government itself. The discipline of power that constitutional liberalism imposes upon the state modern liberalism attempts to impose on the corporation, albeit not in the same way.

As liberal reforms gained ground during the past two centuries, conservatives

predicted that they would be morally destructive, economically ruinous, and politically suicidal, while socialist critics maintained that the socioeconomic changes advocated by liberals were merely cosmetic and would make no difference at all. Modern liberalism's historical record turned out to be better than either of these camps anticipated. With increased social expenditures, labor and environmental regulation, and other reforms, the liberal capitalist democracies became more productive, mortality as well as birth rates fell, per capita income rose, and the circle of prosperity expanded. Rather than destroying private wealth, the modern liberal state made it more secure.

In describing these changes, I do not mean to suggest that liberals from the start had a clearly developed theory guiding reforms, much less all the right answers. Rather than formulating policy from speculative axioms, reformers beginning in the mid-19th century increasingly devoted themselves to the gathering and analysis of socioeconomic data. In America, the

measures adopted during the Progressive era, New Deal, and Great Society were often ad hoc and experimental, and many failed. But partly through better knowledge, partly by trial and error, liberal governments discovered that certain forms of limited state intervention could help bring the promise of a free and just society closer to fulfillment while reducing the waste of human and physical resources and improving economic performance. Modern liberalism has never been ruled by a theory in the way that free-market conservatism and Marxian socialism have been. A pragmatic emphasis on experience and evidence—on how things work in practice—has been critical in making liberalism work.

Part of the explanation for continued economic expansion during the long rise of public expenditure in the capitalist democracies is that much of the spending has represented investment that otherwise would not have been made. The underlying principle is no different from the one that Adam Smith enunciated in writing of the legitimate role of the state in financing public works and institutions, "which it can never be for the interest of any individual, or small number of individuals, to erect and maintain ... though it may frequently do much more than repay [the expense] to a great society."

What Smith failed to anticipate, however, was how broadly this principle would apply. The development of an urbanized, industrial economy and, more recently, the increased centrality of knowledge and innovation require investments in public goods and services that only government is in a position to make. These are typically complementary to private investment, rather than competitive with it, and involve not just tangible capital assets such as roads, ports, and other aspects of physical infrastructure, but intangible assets as well such as scientific knowledge, education, and public health.

## Much of what democratic liberalism calls for on grounds of equal rights to opportunity and security also provides a return in economic productivity.

The general point here is that much of what democratic liberalism calls for on grounds of equal rights to opportunity and security also provides a return in economic productivity. In the United States and many other countries, universal primary schooling came on the heels of an expanded franchise. This historical connection between democracy and public education was one of the main reasons that rising taxes and public expenditures did not harm economic growth. The redistributive state turned out also to be, in critical respects, a productive, developmental state, generating wealth as well as power. If we want to know why modern liberalism has worked out economically as well as it has, this is a large part of the answer.

Moreover, social benefits such as unemployment insurance proved not only to stabilize individual incomes but also to function as "automatic stabilizers" for the economy. Because government outlays on benefits rise whenever the economy sags, social spending helps to blunt recessions and prevent a self-reinforcing

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spiral of decline. Policies softening the hard edges of capitalism have created a margin of security and confidence that enables workers to cope with the uncertainties and risks of technological change and free trade. Protecting workers against sharp declines in their standard of living makes it less likely that they will turn to Luddite and protectionist responses. This, too, is part of the economic logic of liberal social policy.

Not all social spending, however, represents a means of achieving economic stability and growth or a way of ensuring equality of economic opportunity. Some of it simply transfers resources from one group to another. There have been three principled grounds for support of such policies.

The first and most basic of these is properly described as "humanitarian" and involves the relief of immediate suffering—the help we would extend to drowning men without knowing anything about them.

The second is a correlate of the extension of an equal right to political participation. Where wealth is overwhelmingly concentrated in a small oligarchy, political power is sure to follow. Popular self-government requires not that wealth and economic power be equally distributed but that they be widely dispersed.

Third, the liberal state has an obligation to afford its own citizens the equal protection of the law and to treat them with equal respect and concern. To treat people as equals does not necessarily mean recognizing their claims as identical; a disabled child, for example, may require special resources to acquire an education equal to what others receive. The same logic applies to minorities who have suffered persistent social exclusion: More public effort may be required to redress past injustices.

Against all these reasons for redistribution, the liberal project has to weigh other values. Liberalism is egalitarian in the sense that it seeks to achieve a more equal distribution of income and because they serve both the macroeconomic aims of economic growth and stability and the egalitarian aims of social inclusion—the goal of a shared prosperity. Growth that is widely shared not only raises the standard of living of the middle class and the poor but also strengthens other liberal values. Among the good things that broadly based prosperity buys are tolerance and generosity: Economic growth has historically had strong positive effects on democratization and liberalization. In light of that relationship, the interest in rising living standards ought to be considered, not as crass materialism but rather as a means of achieving a good society in part through secondary effects on public attitudes and politics.

ROADLY BASED PROSPERITY IS NOT WHAT CONtemporary conservative leadership has given us. Instead, America has seen a growing gap in income and wealth, not just between rich and poor but between those at the very top and everyone else, as the median-income family has failed to receive close to a proportionate share of economic growth. While preaching compassion, conservatives have favored tax cuts and other policies gratifying the appetites of the wealthy on the false premise that a winner-take-all-and-keep-all economy is the only way for the nation to prosper.

Nowhere have the claims of contemporary conservatism proven more hollow and misleading than in foreign policy and defense. Conservatives have cultivated an image of being tough and realistic, ready and willing to use military force to advance America's interests. But rather than augmenting American power, they have recklessly dissipated and degraded it.

The mistakes and malfeasances of recent years have not been the idiosyncratic follies of George W. Bush and Dick Cheney.

The conservative movement has long agitated for just what this administration has given them: the unilateral assertion of American power abroad and the unilateral assertion of executive power at home.

Externally, the unilateralist impulse has swept aside international alliances, law, and institutions; internally, it has swept aside constitutional checks and balances.

Multilateralism and separation of powers are mechanisms of obligatory consultation, and the same logic underlies them. By enlisting cooperation and reducing the odds of impulsive and narrowly self-interested decisions, consultation with other branches of government and with international allies contributes to a democratic state's power as well as its responsible use. These ideas, particularly about separation of powers, are not entirely alien to conservative philosophy. To the conservative American unilateralist, however, the system of international institutions merely provides the weak with ways to limit the strong, and thereby undercuts America's great and wholesome power. To the liberal internationalist, in contrast, these mechanisms function like internal checks and balances as enabling constraints—they create legitimate and effective power even as

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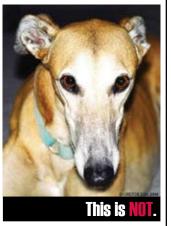
well-being than would otherwise be generated in the marketplace. But it is not committed to achieving a perfect equality in the distribution of goods. Equity requires that those who work harder, take greater risks, or develop their talents to a higher degree be able to recoup a return from their efforts. This incentive is critical to innovation and prosperity, which redound to wider benefit. Liberalism regards the well-being of the least well-off as a central criterion for a just society, and it seeks to provide individuals with some degree of protection against risks beyond their control; but it accepts inequalities insofar as they are to everyone's long-run advantage, and therefore aims for sustainable growth with widely shared gains. The pragmatic disposition of liberalism also implies that policies cannot be derived from moral principles alone, without regard to empirical realities. Experience shows that governments can bring about some results more readily than others.

These considerations tend to lead democratic liberalism in the direction of policies that are dual-purpose: justifiable they limit it. They foster shared expectations that enable states to cooperate with each other. And the United States, the dominant force in multilateral institutions, has more to gain than to lose from the order they can help establish.

As the world's greatest power, the United States has exceptional leverage in shaping the rules and institutions of the international order. The liberal alternative to assertive nationalism and neoconservatism is not to abandon power for cooperation but to seek additional power and security through a system of partnerships with other countries. That system, moreover, is best founded on the basis of social partnership at home. It is far easier to sustain public support for trade and cooperation with other countries if a nation's own citizens feel that they share in its prosperity and that the good being pursued by the government includes what is good for them.

SHREWD AS THEY WERE IN ACHIEVING POLITICAL POWER, THE Republicans of the Bush era have shown little of that genius in using it. A conservatism that does not want to hear about inequality or the sinking fortunes of the middle class, or about dangers to the global environment, or about unsustainable fiscal policies, or about gaping flaws in plans for war, may prevail in the short run, but the realities will sooner or later make themselves felt, as they did in 2006. A great nation cannot long be governed by wishful and simplistic thinking, denial, obfuscation, and deceit. Costs mount, grievances accumulate, and there comes a reckoning.

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The conservative default is liberalism's opportunity—an opportunity to rebuild a political majority by showing how liberal ideas make sense for America and by reopening a conversation with people who believe that liberals have not shown any concern or respect for them. At the heart of any such effort must be a program for shared prosperity to counter the trends toward rising inequality, insecurity, and stress on working families. But no politics can live on bread alone; the public's concerns are inextricably moral and material. Anyone who worries about the institution of marriage, for example, ought to be receptive to changes in employer policies, the availability of preschool education, and other reforms that would help parents meet their obligations at work and at home. And anyone who favors those reforms ought to make the argument that they are good for stable marriages.

Liberals ought to contest conservatives for the very ground the right claims as its own: morality and patriotism. What is the protection of the global environment if not a moral concern? What are efforts to preserve constitutional liberties if not a patriotic devotion to the true basis of America's greatness? Liberalism should appeal for support on the straightforward basis that conservative economic policies do not serve the interests of the great majority of people. But liberalism ought to do more than that; it ought to remind us of our responsibilities and the power of our traditions and call us to greater interests and purposes than our own.

Nothing has to be reinvented, yet everything has to be reimagined. Constructive ideas for new policies are not wanting, but liberals have to think differently about what those policies are about and how they can be achieved. The era of single-issue progressive causes, each agitating—and litigating—separately, is finished. Liberals have to make the case for progressive policies on the basis of the nation's shared interests and common future. National crisis has in the past often supplied the sense of a common citizenship and the imperative demand to put the greater good ahead of one's own. The task of political leadership now is to evoke that same sentiment: "We are all in this together." This is the work of rebuilding a democratic partnership at home that includes working- and middle-class families, and a partnership with other liberal democracies in defense of our common values and security.

In much of the world, the liberal project is still the creation of constitutional democracy, and liberalism remains an intellectual tradition without deep social and historical roots. But in the United States, the idea that everyone enjoys an equal right to life, liberty, and the pursuit of happiness is part of the national tradition. The story of America is of a nation that has grown greater and stronger by becoming more diverse and inclusive and extending the fruits of liberty more widely among its people. American liberals do not have to invent something new or import a philosophical tradition from abroad. They have only to reclaim the idea of America's greatness as their own. TAP

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