NEO-LIBERALISM—THE TURN OF THE 60's

One of the most striking aspects of the 1960 election campaign is that it was waged between two comparatively liberal platforms and candidates. It is true that Kennedy carried the standard of a party whose majority is actually liberal, whereas Nixon represented a party which had subscribed to a relatively liberal platform (including a rather strong civil rights position) with some reluctance, and Nixon himself was, at the very best, but a recent convert to liberalism. Yet these differences are of secondary importance: the main political fact is that the majority of voters—and in a sense the entire political climate—was moving toward a liberal orientation. Both parties, in the conventions as in the campaign, were pushed into emphasizing their progressive elements, and that John F. Kennedy was elected only dramatizes the increasing scope and potency of the liberal forces in the United States. For the election of Kennedy serves to mark nothing less than 'the end of a neo-conservative decade and the beginning of a neo-liberal one—not only in the United States but throughout the Western world. From Canada to New Zealand, from Sweden to Israel, the conservative right is in retreat, and the liberal or radical left is steadily gaining in power. It would seem that the forces responsible for the neo-conservatism of the 50's are in process of exhaustion and that a new set of forces is developing which favor the electoral chances of the parties on the left. To understand why this has come about, it may be useful to review the main political trends in the Western world since 1945.

Wars often undermine existing social structures, and thereby tend to create a situation favorable to radical and liberal parties. Thus, many concessions to underprivileged groups are made during or shortly after wars. For example, in the United States women received the right to vote in 1920, and the army was integrated in World War II; and in Europe, the world's first Communist regime was established in World War I, while after the war Germany became a republic with a Social Democrat majority; and a few years later England elected its first labor government.

Similarly, immediately after World War II, the Social Democrats came to power in Sweden, Norway, and Denmark; in France and Italy, both Socialists and Communists participated in the first post-war governments; in Austria, there was a Socialist premier. In France, the vice premier and the minister of armaments were both Communists, as was the minister of
justice in Italy. Finland had a coalition government based chiefly on Social Democratic and Communist support. Australia and New Zealand had Labor governments, and even in Britain—where practically everybody expected the Conservatives to gain from Churchill's leadership and his wartime prestige—the Labor party was elected to office only a few months after VJ day. In the United States, to the surprise of many, the Democrats, with the victory of Truman in 1948, held on to the presidency; and in Canada, the Liberals won again.*

During the late 40's and early 50's, however, in one country after another the political tide began to flow to the right. In some cases, leftist governments steadily lost ground with each successive election; and in others, conservative parties with strong right-wing elements began coming to power.

First to be struck by the shift toward conservatism were the Social Democrats in Denmark who suffered reverses in the late 1945 election and were finally forced into opposition between 1950 and 1953. The Social Democrats in Finland were hit hard in 1948, and Labor, the following year, was ousted in Australia and New Zealand, continuing on the decline well into the late 50's. In Germany in 1949 and in Britain in 1951, the Conservatives took over, and increased their pluralities in every subsequent election. The United States followed suit in 1950 with a Congress less heavily Democratic than it had normally been and then in 1952 with its first Republican President in twenty years. While the Social Democrats in Sweden, Norway, and Israel during this period managed to retain power, the right-wing groups in all these countries gained support in each election, during the decade from the late 40's to the late 50's. Canada was the last country in which this general shift to the right showed itself; the Conservatives made gains in 1957, then in 1958 were swept into office for the first time in twenty-two years.

The forces which halted and then reversed the postwar upsurge of liberalism and radicalism are fairly well known. Among them, economic factors were strong. It was widely believed in 1948 that a crisis, if not a full depression, would result from conversion to peacetime production, but when the economy of the West—helped along by a universal growth in population, the Marshall Plan, and finally the Korean war—instead entered a period of prosperity, people everywhere were highly gratified. As Seymour Martin Lipset and Juan Linz demonstrate in The Social Bases of Diversity in Western Democracy, such gratification usually works in favor of conservative parties. Thus, for the first time since the 30's, the belief in the inevitability of a cyclical depression was shattered, and a new generation with no experience of the crash of 1929 came of age to create the extraordinary circumstance of young people who were voting more conservatively than their elders. Between 80 and 90 per cent of the "coming of age" group voted for the Democrats in 1932 and 1936 (as compared with the Democrats' total vote of 59 and 62 per cent, respectively); in 1948, 1952, and 1956, young people went Republican in proportions ranging from 3 to 10 per cent higher than did their parents.†

In those countries where the economy had been severely damaged by the war, the cooperation of the labor unions with

*The political trends discussed through this article also held for the Netherlands and for Belgium; but the large number of parties in these countries with the frequent changes in coalition, made for overcomplicated references.

†According to a 1960 Gallup poll, Nixon was more popular with older than with younger people: he was supported by 42 per cent of the 30-49 group, and 55 per cent of the fifty-plus group. Such figures suggest that the young generation of the 60's, like that of the 30's and unlike that of the 50's, probably stands to the left of its elders. Of course this article was largely written before the current election.
the government in the job of reconstruction was an extremely important factor in the political shift to the right. In the Netherlands, for example, the unions agreed to a long wage freeze despite increasing prices; and in Germany, unions permitted their members to rebuild factories without wages, sometimes for as long as an entire year. The decision of union leaders to follow a line of "national responsibility" led to considerable alienation of the rank and file, who felt that their interests were not being properly guarded and who stayed away from the polls in rather large numbers. The conservative parties consequently gained by default.

Apart from all this, there were certain intellectual developments which contributed to the rightward swing of the 50's. Under the impact of the Korean war, of Khrushchev's revelations about the Stalinist regime, and of the Hungarian revolution, an endless number of intellectuals abandoned the Communist and left-Socialist parties all over the Western world. For the first time since the 20's, radicalism ceased to be fashionable among intellectuals; and the stage was thus set for a reconciliation between society, which—to meet the ideological challenge of Communism—needed its intellectuals more than ever, and the intellectuals themselves. (To some extent, intellectuals in the United States were even "courted"—through fellowships, trips abroad, grants, etc.—which tended to act as a further damper on radical thought.) This development found expression, to take only one example, in the foundation of the Congress for Cultural Freedom, under whose sponsorship a series of magazines—Encounter in England, Preuve in France, Der Monat in Germany, Tempo Presente in Italy, and others—were launched partly in an effort to consolidate intellectual anti-Communist opinion throughout the world. For obvious reasons, such opinion often took the form of simple pro-Americanism and therefore tended in a conservative direction even when it was not ideologically conservative.

With the shift of intellectuals to the right, or with their withdrawal from politics altogether, the Socialist and even the liberal parties lost some of their leadership. Large sectors of the voting public were unable to draw the more subtle lines between the various sub-groups of the left, and many of the arguments against Communism were therefore applied indiscriminately to the left in general.

Another factor undermining the left was the "liberalization" of traditionally conservative parties: in England, the Tories preserved most of the social security and nationalization measures introduced by Labor; in Canada, the Conservatives changed their program and renamed themselves the Progressive Conservatives; in Germany, Adenauer introduced co-determination in industry, a social reform which was considered radical before the war; and in the United States, Eisenhower rather than Taft was chosen to represent the Republicans. 

IT WAS ONLY in the late 50's that the new liberal wave which now seems to be gathering momentum first began to reveal itself. Perhaps the earliest sign was the Labor party's return to office in New Zealand in 1957. In the United States, the first indication that an important political shift was in the making was the 1958 election in which the Democrats increased their control of the House and the Senate and also elected a large number of governors, senators, and congressmen in such traditionally Republican states as Maine, Vermont, and Connecticut. The liberal trend continued to manifest itself in the "New Nixon," then in the acceptance this year by the Republican party of the Rockefeller platform, and finally, of course, in the victory of Kennedy.

Events in many other countries confirm the impression that this shift is part of a general trend. In Israel, 1959 marked the first election in ten years in which
Mapai (the Social Democrats) gained strength; the liberal Progressives also gained slightly; and—again, for the first time in a decade—the right-wing lost heavily. In Austria, from 1949 to 1959, the Socialists had been the weaker member of a two-party coalition government, but in 1959 they improved their position considerably and came within one seat of their rival, Raab’s People’s party. In Sweden in 1960 the Social Democrats made their first important gain since 1948: the Communists, Liberals, and even the center also gained, while the Conservatives lost. In Germany (though it offers a slightly more complicated example) the Social Democrats, who are running a New Look candidate, the Berlin Mayor Willy Brandt, are expected to move up in the coming elections, and have already increased their power in five state elections during the last three years. In Canada, the trend of recent local elections is so markedly Liberal that the Conservative premier is reported to be planning a general election long before the end of his term (1963). Even in Britain, where (for reasons to be discussed below) Labor is not deriving the benefits of the new movement to the left, there has been a definite Liberal revival. Last month the Social Democrats won in Denmark, and the forthcoming elections in Finland and Australia will allow us to test the scope and momentum of the trend.

Why is this shift to the left taking place? First of all, the forces which produced the neo-conservative 50’s have spent most of their momentum. In the economic sphere, while European prosperity has declined only slightly, the United States has undergone a rapid series of small recessions which have helped to undermine the post-war feeling of prosperity. People who came out of the war expecting a depression were surprised and happy when they got prosperity instead. But by now—precisely because of fifteen years of prosperity—the level of economic expectation is much higher. Practically everyone, even in often-burned Detroit, has come to regard a vigorous economy as the norm and deeply resents every decline in employment and living standards—a feeling which appears to generate support for the left, as its opposite generates support for the right.

Moreover, in Western Europe, with the end of economic reconstruction, unions in Germany, the Netherlands, and Austria are resuming their traditional role of pressing for a larger share of industrial income for their members. Consequently, they are in the process of regaining some of their lost popularity, and are once again in a position to influence the recently apathetic worker vote.

In the intellectual sphere, the ideological warfare against Communism has subsided. In addition, because of a certain guilt that has developed among intellectuals, they have begun to reassume a critical role. This is reflected in the formation of several “new left” groups—radical but not Communist—who are represented in France by Arguments, in England by the New Left Review, and in the United States by Liberation and by several journals recently launched in the universities.

In the United States, too, the declining pressure for conformity has led many ex-radicals and liberals to become vocal once more and politically active; one example is the support given by a large number of professors at the University of California to the students who demonstrated some months ago in San Francisco against the Committee on Un-American Activities.

The second development that is working to make the 60’s a decade of neo-liberalism is the appearance—or the coming to consciousness—of a new set of social problems. In general, the 50’s were a period of reconstruction and consolidation in which remarkably few new areas of state control and welfare were opened up. Yet in this as in other such periods, several issues, confronted but not ade-
quately handled, continued to build up social pressure—and that pressure has now culminated in a demand for parties of change rather than of consolidation.

It is important to note first that economic problems, which for many years maintained a near monopoly of attention in the internal politics of Western countries, are rapidly losing their position of priority. Short of totally collectivizing their economies, Western societies—through a progressive taxation and a differential distribution of social services in favor of the lower classes and the underprivileged groups—have attained a marked leveling of the class structure.

This is not to suggest that all problems of economic redistribution have been solved. There are those who go to sleep hungry in south Italy and in Sicily, as well as in Ireland and West Virginia. Furthermore, the problem of unemployment is likely to be aggravated by increased automation, unless the state exercises greater control; and collective support for the growing group of the aged also remains to be undertaken. Yet the solutions to these problems—in the development of which the U.S. lags far behind other Western societies—will be much less revolutionary than were the creation of social security and the progressive income tax, for the groups that will be affected are relatively smaller and the pattern for dealing with such matters has been set and is widely accepted.

The prime economic issue, in any case, is no longer the redistribution of national income among the various social classes; the question now is the proportion in which national income will be parcelled out between public and private expenditures. This, then, is the first crucial issue of the 60's: to what extent should resources be taken away from all classes, not to help the lowest-income groups, but to deal with the collective needs of the entire nation?

It seems clear that left-wing parties are more likely to come to grips with this issue than those of the right, since the former have traditionally recognized and articulated the need for public control of the economy and have fewer ideological inhibitions against it. Moreover, the social groups supporting them very often include those that cannot afford doctors, universities, and the like, and thus tend to pressure their parties into providing such services as a public right.*

Many countries are only now reaching a stage in which the economic power exercised by the state can begin to change its primary objective from stimulating production and equalizing the distribution of income to making needed resources and services available to the entire public. Left-wing parties in affluent societies like Sweden have already begun to attack this issue and to gain from it politically. The Democrats of the United States also obviously gained votes because of their stress on federal aid to education, research, and public health.

The second major issue of the 60's will be international relations—a sphere in which virtually no changes took place throughout the consolidating 50's (in the sense that the United States continued in the lead until 1958). In prewar years (and especially in the United States) opinion polls indicate that interest in international relations was highly sporadic; in most (non-war) election campaigns internal issues received the bulk of attention. But since the beginning of the cold war, and—more particularly—since the widening of the missile gap, the concern of the ordinary voter with international affairs has risen enormously. This concern—so far as we can tell from the available evidence—is for disarmament and the termination of the cold war; it has already expressed itself in the spread

* These remarks do not gainsay the argument that even liberal and left-wing parties will become fearful of losing rank-and-file support if they advocate measures which do not benefit their members directly, e.g., increased support for basic research.
of neutralism, the revival and increased appeal of the various pacifist groups, the campaign for unilateral disarmament, and other less extreme or direct manifestations. In England, for example, Labor, which could not decide upon a foreign policy before the 1959 election, lost much support in that election; but the Liberals, whose platform stressed a decreased commitment to United States foreign policy and some degree of neutralism, made impressive gains. In the United States, similarly, Rockefeller found less support for his militant position on armament and civil defense than for anything else he advocated last spring; and Stuart Symington, closer ideologically than any other of the 1959 presidential aspirants to the advocates of a tough line in the cold war, made very little headway. And, of course, the man who lost was Nixon, who had "stood up" to Khrushchev, who refused to express regret over the U-2 incident, and who held to an intransigently hard policy on Quemoy and Matsu. The victory went to Kennedy, who (except for his unfortunate statements concerning Cuba) spoke for the "cooler" approach in foreign affairs.

It would seem, then, that those parties who emphasize the goals of coexistence and a peaceful settlement of the cold war will score the greatest gains in all Western countries during the coming years. But is there any reason to suppose that a policy of coexistence is more natural to the left than to the right? I think there is. First of all, right-wing parties have long been associated with the pursuit of national glory, while the parties of the left have everywhere been internationalist in tone (even if they have found it expedient to underplay this quality in moments of crisis). For example, the Socialist parties of all six members of the European Economic Community have strongly supported the creation of federal institutions while the Conservative parties have opposed them as violations of sovereignty. Moreover, the right tends to see in Russia not only an international troublemaker but an evil demon, a society whose every institution is dangerous or vicious. The left, on the other hand, has mixed feelings about Russia; like the right, it deplores the suppression of freedom under totalitarianism, but at the same time it sees virtues in certain features of the Russian system, and is thus inclined to be less absolutistic in its condemnation of the Communist world. (There is a final factor which suggests greater left-wing identification with the peace issue. It is obvious that some industries have a vested interest in international tensions, in high levels of military preparedness, and even in limited wars. Such industries tend to join with and influence the right; the left on the whole seems much less hospitable to them. The importance of this point is very difficult to assess.) Thus on the whole, the left is more likely than the right to respond to the widespread desire for an international settlement and to gain from it politically.

The last of the problems of the 60's concerns the extremely complex issue of upward social mobility. Sociologists have long noted that when a person moves up the economic scale, improving his income (and perhaps his occupation), he will attempt to improve his social status as well—by joining more exclusive and more prestigious groups, say, or by moving to "better" neighborhoods, or by voting for parties which represent the upper rather than the lower class. At first, gains in upward mobility, championed mainly by the liberal parties, work directly to their disadvantage: their very success in opening up channels of economic opportunity results in the loss of many members and especially in the loss of the children of members. Once an individual rises into the middle class, his children tend to vote for right-wing parties—Conservative in England, Republican in the U.S.—as a confirmation of their new position (and perhaps in reaction against their parents). But as soon as these newer members of the middle class realize that their economic
gains have not been matched by a commensurate gain in social status, they seem to rebel against the parties that speak for the higher echelons of power and prestige. It is this rebellion which seems to be occurring now in many different countries, with the result that formerly conservative voters will throw their support to those parties which can express their resentment at being handicapped socially and which promise to open new social channels to them and their children.

A central problem for the politician of the 60's is to find a program to satisfy these aspirations. While it is hardly possible to present such a program here, several examples of what might be done may help to illuminate the issue itself. One important route to positions of influence and status lies through certain educational institutions like the public schools and Oxford and Cambridge in Britain, and the prep schools and Ivy League universities in the United States. Thus the creation and enforcement of what could be called “fair educational practices,” requiring that recruitment to all such schools depend on academic merit alone, would undoubtedly be popular with the voter who feels himself to be “socially underprivileged.” Similarly, “fair employment” legislation could be extended to reduce not only racial and ethnic discrimination but also the degree of class control over certain professions (surgery, for instance, is still a highly exclusive profession in America). Finally, a “fair political recruitment” program, assuring that public service and the political arena were equally open to all groups, would relieve social tensions in countries like England where the upper class tends to dominate in those areas.

It is quite clearly the left-wing parties who are most apt to work toward narrowing the breach between ability and opportunity and between recently acquired economic power and social status. However, their long tradition of anti-establishmentism and support of social change and mobility does not guarantee that this necessarily be so. A case in point is the Labor party in Britain, which has so far refused to recognize and make use of what the conservative Times already understands quite well: the increasing prominence of social strains as a political issue. “Half the population in England is constantly engaged in trying to talk more grandly than its parents did,” the Times writes, and goes on to explain that the socially underprivileged—symbolized by their non-university accent—have less to fear from obstacles to their “professional” (economic) ascent than from the “cruel personal embarrassment” (social frustration) they will be made to endure along the way. In answer to this problem—as to the other main problems of the 60’s—neither the orthodox nor the revisionist wing of the Labor party has much to say. Nationalization is no longer central. The issue is not control of production, but of consumption; not the redistribution of income between social classes but between kinds of expenditure; and not, finally, economic but social advancement.

In the United States, the Democrats won in part because they were led by a man who could be identified with the more covert desires for increased social mobility and opportunity felt by labor and the new middle classes: in the ambitions and handicaps of a Catholic candidate these groups saw something of their own situation. The Democrats won, too, because on the whole they responded more sharply to all three of the major problems of the 60’s. It is hardly a prediction, therefore, to assert that during the next decade throughout the Western world those parties which best satisfy the new demands for social egalitarianism, greater international understanding, and greater public expenditure for education and welfare, will occupy the positions of power. They already do.