

Toward a Swedenized America

by Amitai Etzioni

WILL the new President seek to turn the nation into a Swedenized America, or will he be content to back-paddle toward some lesser form of welfare state? The key words to the answer are "ambivalence" and "transition." There is no wide consensus as to where America ought to be going or how much we can and should do in the way of providing social benefits, nor even as to what we mean when we ask how much of a Sweden we want. "Sweden"—not the country, but a vision of a future America—provides the President and his staff with a convenient handle for dealing with the problems and choices America faces precisely because the word evokes a variety of images.

To many Americans, Sweden is the prototype of the welfare state. America, as its capitalism has matured, has acquired ever more features of a welfare state, from Social Security to Medicaid. In asking how much more of the welfare state we can afford and should seek to become, however, the President must not disregard the difference between efforts aimed at using the "welfare state" to redistribute income to help the disadvantaged and efforts aimed at providing all citizens—of all social classes—with a wide array of

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social services, from day-care centers to funerals. The main purpose of the first approach is to reduce inequality, to advance social justice, and—ultimately—to promote a society that knows no inherent (as distinct from earned) differences of wealth, status, or power. The main purpose of the second approach is to exempt more and more of the citizenry's human needs from the exigencies of the economic marketplace and to secure their provision via the public sector.

Although in the abstract the "social justice" vision of the welfare state and that of the "human-services society" tend to converge, in the imperfect practice, they conflict sharply. Thus, many of the new programs launched during the Kennedy and Johnson years were specifically aimed at using tax revenues collected disproportionately from those better off to pay for programs for those less well off. In contrast, since then the prevailing trend has been to shift drastically away from income-transfer programs toward more services for all. Widely accepted—indeed, in high demand—are those programs that actually or potentially pay off to all, such as investment in transportation, national parks, schools, services for the old and for children (of all classes), and, above all, national health services. Downgraded, cut, dismantled, are Head Start (an educational program for children of a disadvantaged background), the Office of Equal Opportunity (the federal antipoverty agency), wel-

fare, low-income public housing, Model Cities (aimed mainly at ghettos and "inner cities"), and Medicaid (health care for the poor and near poor).

Technically, the transition was achieved largely through revenue sharing; funds were shifted from federal programs to state and local governments, which in turn have used the moneys chiefly for services that benefit the whole community rather than focus on the poor. The former Secretary of Housing and Urban Development, Dr. Robert C. Wood, estimated that as \$6 billion a year were made available to local government under revenue sharing, \$16.9 billion were cut out of federal social-action programs. Local government used 23 percent of these funds for public safety, 21 percent for education, 15 percent for transportation, 10 percent for construction and maintenance of public buildings, 7 percent for health, 5 percent for recreation—and 4 percent for social services for the aged and poor.

The President will surely realize that in the near future the tug of war between the two views of the welfare state must be expected to continue. Though human services are much more popular than income transfer, *both* have their public and political followings. Thus, polls show that the majority of Americans want government to provide *more* help to the poor *and* national health services for all Americans. (In 1976, 61 percent favored a comprehensive national-health bill; 53 percent, that more public funds be given to the poor.) It will be up to the President, in formulating his first budget and message to the nation, to indicate in what direction he seeks to throw his weight.

"Swedenization" also connotes a policy decision the President can scarcely avoid: whether to increase or to curtail the reliance on the government to provide human services

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and to guide the private sector, through regulation, to be more attentive to worker safety, consumer needs, and the conservation of the environment.

Practically all commentators over the last year have pointed to the rejection of greater reliance on Big Government by the American people. In the presidential primaries, candidates from Fred Harris to Ronald Reagan, and all those in between, sounded some version of the "anti-Washington" theme. A 1976 survey found that two Americans in three distrust the government.

"Ambivalence" and "transition" are again key words. Study after study shows that many Americans do oppose Big Government—philosophically. They feel that in principle Americans would be better off if the federal government were smaller and spent less and if more reliance were placed on the private sector. Yet many of these same people, when asked about specific federal programs—from Medicare to aid to education to antipoverty programs—not only do not wish to see these programs cut but actually say they would like to see more spent on them. Thus, 70 percent of U.S. citizens feel that the federal government should "see to it" that every person who wants to work has a job. Similarly, many Americans state in the same breath that they would like to see less "government intervention" and more government regulation of consumer products, work safety, and the use of the environment.

Pragmatically, there has been a transition under way, *not* from reliance on the public sector to the private sector but, rather, in the *ways* the public sector works—from direct to indirect, from managing to financing. Thus, although most American hospitals (87 percent) are "voluntary" (not for profit) and the majority (77 percent) of nursing homes are proprietary (for profit), their foremost source of funds is

the government (52 percent for hospitals, 61 percent for nursing homes). In providing low-income people with housing, the vogue is for the government to give them "housing allowances" to buy or to rent their new residences in the marketplace rather than for the government to contract directly with builders to build development projects. From parking-ticket collection to garbage disposal to school lunches, more and more services are provided through private and not-for-profit corporations, paid for but not administered by the government. The welfare reform currently in widest favor among experts would largely remove the welfare bureaucracy, social workers, and regulations from the picture and would replace them with check-writing machines and computers. The IRS would administer the program, checking only to see that recipients did not falsely state their income, not how they use their allowances.

The net result is not chiefly a "return to the private sector" in the sense that market mechanisms, firms, and family take care of the sick, young, elderly. The net result is an Americanized version of the Swedish human-services society—in which more and more public funds (55 percent of all by 1976) are used *indirectly* to guide both the for-profit and the voluntary sectors to advance the desired social goals in ways that are believed to be more efficient or more compatible with "the American way" than federal social services.

Before the President tries to shift further in this direction over the next four years, the ambivalence that riddles this recent transition should also be noted. The scandals in nursing homes, Medicaid, and day-care centers challenge the belief that services run by private (for profit) or voluntary (non profit) corporations are necessarily more efficient, economical, or of higher quality than those run by government. The next years will pose choices concerning not only what

purposes public funds are to be directed toward—more equality for the disadvantaged or more human services for all—but also which mechanisms—public or private—these efforts are to employ. At issue is not just the relative efficiency and integrity of the channels but the extent to which government will intervene in people's lives; hence, how governmental an America it will be.

BYOND the much-debated issues of how to manage our public sector or what it ought to accomplish lies a deeper question: what life purposes does the President assume Americans find satisfying? What will make Americans happy? What societal vision, source of meaning, commitment, does the President seek to highlight? Societies tend to have a core theme, their "project," which implicitly they strive to advance, which takes precedence over others, helps set the hierarchy of values and rewards, shapes priorities, provides the citizenry with a vision of the future. For the medieval society the source of meaning lay in a "twin project" of worship and war (most deeply committing when combined, as in the Crusades). For the literati of traditional China, the highest expression was to be found in philosophy, poetry, and art. For the free men of ancient Athens, fulfillment was sought in active public life. America has long stood as the chief symbol and carrier of the capitalist project—a free society, marshaling a giant industrial machinery, to provide ever more of its citizens with ever more goods and services. Sweden is often cited as the second most affluent society and—because of its homogeneousness and lack of a large poor segment or minorities—even closer to a world in which "everybody" has or soon will have at least one TV set, a summer home, a boat, and a car.

The presidential mission may well prove to be the need to redefine or revitalize the American Dream, for in recent years the standard definition of the good life has been challenged. The challenge has not come from our current economic woes of inflation and unemployment (the Great Depression of the 1930s showed that American capitalism and its ideals could readily survive far worse). Rather, the most serious challenge is from alternative projects that question the underlying legitimacy of the stress on materialism. Again, the questioning has not come, on economic grounds, from the underprivileged, who in fact are more inclined to embrace the American Dream and seek their share in it, but from those who are reaping its benefits. First the questioning was conducted in the extreme, bizarre terminology of the counterculture, which sought a radical departure from the world of objects to satisfaction built on sensory stimulation via sex, drugs, mystical experiences, "nature," all of which entail little consumption of material goods. The counterculture cut out both the production-work side and the affluent-consumption end of the American project.

The counterculture soon crested but in its wake left a question shared, in varying degrees, and in a much more moderate form, by millions of Americans: is the good life one of hard work, robust competition, "making it," using the money earned and saved to buy ever more objects and services (and paying the taxes needed to secure more via the government)? Though not interested in adopting the hippie life-style of voluntary poverty, many Americans nonetheless began to wonder whether they were not in danger of being ruled by their possessions and of being run ragged

by their insatiable drive to buy more. Many began to wonder whether they could make do with less. Similarly, though relatively few Americans were attracted to "dropping out" of school or work, many did find a more relaxed, less striving and stressful life-style appealing. Thus, many became comparatively less interested in "success," in focusing their energies on "getting ahead," in rising up into the next highest social class, and became more concerned with such non-material pursuits as exploring their "inner selves" and relationships with others (via various therapies, religions, consciousness-raising groups, etc.).

"Ambivalence" is again the key word. At least 20 million Americans are estimated to hold second jobs, and more than 10 million married women have joined the labor force since 1950, in part motivated by the desire to buy more. But also there is a staggering increase in the number of Americans who retire earlier, at fifty-five, to enjoy life more and to work and consume less. And millions—no exact statistics seem to be available—change over each year to "second careers,"

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which tend to be less lucrative but more fulfilling. Other millions clearly have slowed down: they are less likely to take their briefcases home or to sacrifice time with their families for business success. Every conceivable non-work, non-consumer activity is sharply on the rise, from visiting museums to Transcendental Meditation to jogging.

Louis Harris, in a 1976 poll, found that by an 85-to-9 majority, "people believe that the trouble with most leadership is that they don't understand that people want better quality of almost everything that they have rather than more quantity." Harris adds, "When the alternative is posed between changing our lifestyle to have less consumption of physical goods on the one hand, and enduring the risks of continued inflation and unemployment due to raw material shortages on the other, the American people opt for a change of style by a 77 to 8 percent majority."

In the longer run what is considered a good life, a good society, a desired future, may be more shaped by the people's reaction to the new realization of the nation's limited capacities than by anything else. Under the impact of external pressure (first from OPEC), domestic shortages, and the growing recognition of the limited ability of government to solve social problems, Americans must choose in the near future in what direction their main thrust will be: an attempt to resurrect the productive, hardworking, un-Swedish early America? Reduce our material needs—for both private and public consumption—by a preoccupation with new definitions of the good life that are neither costly in resources nor work-intensive? Or find merit in investing our resources in the pursuit of a human-services society?

Ultimately President Carter cannot lead in opposition to the preferences and values of the people. He must remain sensitive to the changing public choices and initiate executive actions and promote legislature that will place into governmental motion these new commitments to the people. ©