

BOOK REVIEWS

Sidney Blumenthal is the jaundiced eye through which the *Washington Post* views the politics and culture of the New Right, the neoconservatives, and those it believes are the "objective" allies of these distasteful usurpers. My colleagues and I at Prodemca—many of us Democrats who had the presumption to favor aid to the Nicaraguan resistance—have been a regular object of his attentions. I accepted the offer to review his new book with the expectation that it might explain whatever broader perspective underlies his animadversions. I am still confused.

The Rise of the Counter-Establishment includes some useful research and has some stretches of lively writing. It presents a series of intellectual portraits of conservative and neoconservative thinkers, especially those who have shaped economic debate during the Reagan era—Jude Wanniski, David Stockman, Milton Friedman, Irving Kristol. It also treats figures such as Norman Podhoretz and William Buckley, whose efforts have centered on foreign policy and politics. It is, however, badly compromised by Blumenthal's inability to resist catty, ad hominem thrusts which overwhelm his intellectual and journalistic judgment. Over and over he transforms offhand remarks or trivial incidents (which, despite his sporadic footnotes, are obviously based at best on hearsay) into events of momentous significance.

This book takes great relish in the intellectual contradictions that can be found in the pro-Reagan camp—contradictions that conservatives themselves have addressed in quite open ways. It notes how the zest for tax cuts and go-go entrepreneurialism of Jude Wanniski, Jack Kemp, and Irving Kristol conflicts with the born-again fiscal conservatism of David Stockman; how Milton Friedman's hostility to big government is challenged by the massive defense buildup advocated by the hardliners of the Committee on the Present Danger; how the Protestant right's call for a return to straight and narrow morality jars the unbuttoned-down, me-first yuppies of Wall Street and Silicon Valley. It argues that Ronald Reagan has overcome these

Penn Kemble is chairman of the executive committee of the Coalition for a Democratic Majority and president of Prodemca, a nonpartisan citizens' group that supports democratic development in Central America.

THE RISE OF THE COUNTER-ESTABLISHMENT: FROM CONSERVATIVE IDEOLOGY TO POLITICAL POWER

Sidney Blumenthal/Times Books/\$19.95

Penn Kemble

contradictions with a shameless optimism and appeals to America's sense of national destiny, and that a network of foundations, think-tanks, and propagandists is now in place—the counter-establishment—that will strive to sustain this mystical synthesis when the President leaves office.

It is not clear, however, whether Blumenthal really fears this prospect, or merely finds it contemptible. His scornful style works against his efforts to make the reader take his subject matter very seriously. His polemical stance is not unlike that of our recent British "entryists"—Alexander Cockburn, Christopher Hitchens—who appeal to the readers of the *Nation* and the *Village Voice* with a mixture of high

Tory snobbery and Leninist scorn for the ungainly workings of democracy.

Blumenthal is dismissive of the neoconservatives: "a motley collection of exiles, ex-communists and nostalgists..." It is also evident that, although they make only a cameo appearance in this book, he has a similar contempt for what could be called the mainstream elements of the Democratic party: the Democrats who nominated and campaigned for Walter Mondale in 1984. (He describes them as "catatonic" centrists whose policies reeked of "fiscal gloom and intellectual exhaustion.") But what Blumenthal seems most to despise is the American tendency toward a politics that embodies elements of faith. He worries that the new conservative counter-establishment will exploit this popular

weakness to seize American politics in an enduring grip of irrationality and myth: an ideological dementia where anti-Communism, religious fanaticism, and crackpot economic theories all hazily commingle.

This effort at conservative myth-making is explicitly compared to the liberals' prolonged exploitation of the epic of the Great Depression and the triumph of FDR over Herbert Hoover. Ronald Reagan, like Roosevelt, is a purveyor of dreams. Roosevelt raised himself up on his crutches to declare that "the only thing we have to fear is fear itself." Reagan has raised conservatism out of its sectarian feuds and isolation by insisting that "all we need to have is faith, and that dream will come true."

Yet the personalities and the intellectual propositions of the new conservative counter-establishment, as Blumenthal portrays them, are so far-out and far-fetched that they seem bound to self-destruct. That is, of course, unless one believes that you can delude most of the people most of the time—an undemocratic premise that Blumenthal might be reluctant to acknowledge. But Blumenthal's explanation of the victory of Ronald Reagan and the rise of the conservative counter-establishment cannot stand without just such a cynical premise. Even if one should grant that the new conservatives are a gang of cranks and mercenaries, in two successive elections Ronald Reagan won substantial electoral majorities. If Blumenthal is right in his contention that the voters simply succumbed to snake oil salesmanship—and in his fear that they will do so in the future—then one has to conclude that the voters themselves are contemptibly gullible.

There is, however, another explanation for the rightward trend in presidential voting and in popular political opinion—and for the rise of the new conservative ideologists—that Blumenthal curiously neglects. It is at once less demoniacal and less scornful toward our democracy. It affords a much firmer explanation for the intellectual realignment that has taken place than the lure of the long-neglected writings of Whittaker Chambers and Milton Friedman. It played as great a part in the resurgence of ideological politics in the United States as *National Review* and the Goldwater campaign. This is, of course, the rise of the New Left in the



1960s and 1970s—a movement that attained greater force in the universities, the media, and cultural affairs than anything yet attained by the conservative counter-establishment.¹

The theories of supply-side economics which Blumenthal so attentively explores were far too recondite and problematic to have achieved much vogue had not the Democratic competition fallen into abject defeatism: the zero-sum, no-growth economics of Carter's last days. Supply-side philosophers, to be sure, hoped that their ascendancy marked a departure from liberal concerns about redistribution and equality. More likely, it simply reflected a longing for a return to some form of the economics of hope. "Get America moving again," as John F. Kennedy once said—and we can sort the benefits out later.

One can pretty well match the "themes" once promoted by the New Left to the issues where the New Right and neoconservatives achieved their greatest moral and intellectual victories: quotas, accommodation to Communism, the exculpation of criminals, the celebration of self-gratification, the renunciation of personal responsibility, the disdain for economic effort. Blumenthal scores some easy points in his treatment of the shortcomings of the new conservatism's answers to these afflictions. But his account of recent political history steps over the late sixties and seventies—an intellectual elision which moves directly from the movement of Bill Buckley and Barry Goldwater in the late 1950s to the rise of *Commentary* magazine and the neoconservatives in the mid-1970s. What is missing is what was decisive: the transformation of liberalism and the Democratic party during the heyday of Stokely Carmichael, Tom Hayden, and eventually George McGovern and Jesse Jackson.

Because Blumenthal cannot bring himself to turn a critical eye on the movements that transformed the Democratic party during the McGovern era, he is left with an explanation for the rise of Ronald Reagan and the new conservatism that endows them with mysterious powers. His assessment is not unlike the homey metaphor used by Congresswoman Pat Schroeder: Reagan's is the "teflon" presidency. Those who resort to this explanation wonder why Reagan isn't assailed for having failed to reduce the trade deficit, for the loss of Marines in

¹The impact of the left on the Democratic party has an extensive literature, yet it still fails to have standing in the eyes of some participants in our political conversation. Its chronicles include Alonzo Hamby's *Liberalism and Its Challengers*, Norman Podhoretz's *Breaking Ranks*, and R. Emmett Tyrrell's *The Liberal Crack-Up*.

Beirut, or for other lapses that would shake a "normal" presidency. A less esoteric but also less comforting explanation might be that Reagan reflects the dominant values of American civilization, while many of his most ardent opponents do not. So long as many Democrats allow themselves to be cast as challengers to those values—instead of offering more effective ways to serve them—the public will stay with Ronald Reagan and his successors.

Blumenthal's political history owes a great deal to the left, which treats any sober appraisal of the effects of our New Left and New Politics movements as just another form of McCarthyism. One expects, therefore, a conclusion to this book which summons the reader to rally again to the familiar forces of progress. But this, surprisingly, is not the case. In the end, *The Rise of the Counter-Establishment* finds itself in the predicament of that species of albatross called the gooney bird. It has soared, it has swooped, it has skittered playfully along the waves. The trouble is, it can't land. It is all wings and no body. It lacks the strength at the center to coordinate its reach. When it has come down somewhere, it glides in and, suddenly—flop!

To the extent that Blumenthal holds out any response to the new conservatives, he seems to favor—hold your breath—the traditional Republicans. He wistfully explains that "traditional Republicans, who compose their fair share of the groups excoriated by con-

servatives, do not think as populists. They believe in institutions, including big ones, which they often run. They have faith in established procedures, disdain plebiscites, and are suspicious of passionate social movements. They do not believe that the market can or should be populated only by Adam Smith's pin factories. They see modern corporations as part of a world of large institutions protected by laws."

In his early pages Blumenthal was scandalized by CEOs who have lavished money on such institutions of the counter-establishment as the American Enterprise Institute and the Institute for Educational Affairs. At the end he turns plaintively toward "GOP traditionalists whose bastion is the Senate caucus and whose leader is Robert Dole. These Republicans still frequently find a natural sympathy in the old familiar places—the great law and accounting firms; the investment banking houses; the corner offices of corporate executives who still pride themselves on their 'responsibility.'"

Could it be that the *Washington Post's* hit man is now actually a candidate for one of Bob Tyrrell's soirées with Richard Nixon? That a writer who owes his start to *In These Times* ("the Independent Socialist Newspaper" published by the Institute for Public Affairs) is now the vanguard of his own tendency of neo-neoconservatism? That last season's admirer of Gary Hart is now inching toward Bob Dole's dressing-room door? Those with dark imaginations may find in Blumenthal's importunances toward the old financial

and Republican establishment some evidence of the protean capabilities of the left. (Has Arbatov decided that détente Republicanism is now the only alternative to the Reagan Doctrine?) More likely, Blumenthal was possessed by a rancor for the new conservatism, and by a welter of research, but was reluctant to ground his book on the failed left-liberalism of the Democratic party. As a result, he comes down clumsily, and in a most unlikely place. The least one can say is that a writer who is so confused about his own basic political outlook should be less judgmental toward others who are testing new ideas and new alliances.

It is hard to imagine that the Republican party will renounce the conservative counter-establishment, or the ideals and faith that it has so successfully exploited. Mainstream Democrats—not traditional Republicans—offer a far greater potential for relieving our political life of the polarization and ideological extremism that have strained it in recent decades. Only mainstream Democrats, working within their own party, can overcome the leftist provocations that so divided the country, and that stirred the New Right toward its surprising victories.

But whether Democrats or Republicans lead, it is inconceivable that our popular democracy will ever renounce the American faith—the faith that has so profited Ronald Reagan, and that Blumenthal finds so dangerous and so contemptible. The future of American politics still lies with the most persuasive champions of that faith. □

How Bishops Decide: An American Catholic Case Study

46 pp., paper, \$4.00
Discounts for bulk orders.

Ethics and Public Policy Center
1030 15th St., N.W.
Washington, D.C. 20005

Please send _____ copies of
How Bishops Decide
Please send _____ copies of
Challenge and Response

Check enclosed. Bill me.
 MASTER CHARGE VISA

Card# _____ Exp. _____

Signature _____

Name _____

Address _____

City _____ State _____ Zip _____

by **Philip F. Lawler**

foreword by **Richard John Neuhaus**

How do the Catholic bishops and the staff of the U.S. Catholic Conference produce pastoral letters on public policy issues? Using the bishops' "Catholic Social Teaching and the U.S. Economy" as a case study, this work offers, not a critique of the content of that statement, but an analysis of the process whereby the bishops arrive at their positions. It also raises questions about the obstacles to the bishops' effectiveness as moral teachers.

Also available: **Challenge and Response: Critiques of the Catholic Bishops' Draft Letter on the U.S. Economy**, edited with a foreword by Robert Royal. 72 pp., paper, \$4.00

AMERICA'S HEALTH CARE REVOLUTION:
WHO LIVES? WHO DIES? WHO PAYS?

Joseph A. Califano, Jr./Random House/\$17.95

Stephen Chapman

Joseph Califano, Jr. is one of the rare architects of the Great Society who has learned something from its failures. From trying to figure out what went wrong, he has acquired some understanding of the value of the market and the malignant effects of government programs. Coming from someone who has served as Lyndon Johnson's special

Stephen Chapman is a syndicated columnist for the Chicago Tribune.

assistant for domestic affairs and as Jimmy Carter's Secretary of Health, Education and Welfare, this book, the product of Califano's partial disenchantment, carries the weight of authority. But *America's Health Care Revolution* raises hopes only to prove sorely disappointing in the end.

In tackling the broad issue of American health care, Califano can't be accused of timidity. Other social programs, like welfare, education, nutri-

tion, and Social Security, get more attention, but none presents more frustrating dilemmas: how to protect the poor without bankrupting the rest of us; how to allocate limited supplies of medical goods and services, including life-saving technology and even human organs; how to reconcile the physician's impulse to do everything possible to help the patient with the obligation of someone to pay for it.

The book is useful in several respects. It serves as a concise layman's guide to a subject of growing importance. In 1965, spending on medical care took 6.1 percent of the nation's total income; today it soaks up more than 10 percent. Califano gamely tries to acquaint the reader with most of the essential topics: government programs, private health insurance, the supply and training of doctors, emerging technology, hospitals and nursing homes, the relationship between personal habits and health. Second, it provides some useful history of government involvement, from the regulation of doctors to the creation of Medicare and Medicaid. Told in 1964 that getting his cherished Medicare bill approved by the key Senate committee would require spending an extra half a billion dollars, President Johnson snorted, "Five hundred million. Is that all? Move that damn bill out now, before we lose it." Of such nonchalance is disaster made. Within two years, thanks largely to the new federal role, the nation's health care costs were speeding out of control.

The most illuminating part is Califano's account of his effort to contain health care costs at Chrysler, a task he was given by Lee Iacocca in 1981. Over forty years, the combination of a strong union, minimal foreign competition, and federal tax breaks had produced a lavish potpourri of medical benefits. Care was free to employees—they had to pay neither a deductible nor any percentage of their bills. Eyeglasses, prescription drugs, and hearing aids also cost them nothing. Most of the coverage applied not only to employees but to retirees as well. At one point in 1982, notes Califano, "Chrysler was paying health care expenses for 107,000 retirees and individuals who had been laid off, when it had only 61,000 active workers on its payroll." Local physicians, who were reimbursed for whatever they chose to charge, practically had a key to the Chrysler vault. The results were not surprising. Costs had reached \$300 million a year by the time Califano arrived, with the total expected to reach \$460 million by 1984. A typical hospital maternity stay lasted 3.8 days for Chrysler beneficiaries, compared with

less than two days for new mothers at hospitals in southern California. Some podiatrists had taken advantage of Chrysler's lax approach to get rich, through unnecessary operations and inventive ploys like working on only one toe per visit. Through some rudimentary measures—requiring second opinions for surgery, scrutinizing hospital admissions, using health maintenance organizations for dental care—Chrysler cut its projected 1984 health care bill by nearly 13 percent. The contract signed with the UAW in 1985 provided for additional economies.

Califano also does a workmanlike job of tracing the effects of government policies. The greatest of these is the huge increase in the demand for medical care, which can be ascribed to federal and state programs that pay hospital and doctor bills and to the tax-free status of employer-provided health insurance. Besides boosting prices, these policies led to excessive treatment. From 60 to 80 percent of the patients who undergo coronary bypass surgery gain no increase in life span, Califano claims. But, lured by lucrative returns, surgeons perform 200,000 of these operations every year—four times as many per capita as in West Germany, twice as many as in Canada and Australia.

So what to do? The old Califano probably would have called for federal monitoring of heart surgery. The new Califano places his hopes in the pressures on employers and insurers to reduce costs. Companies that require a second opinion before approving operations have reduced surgery rates by 20 percent. And, Califano notes, most large commercial insurers have adopted the idea. He also welcomes HMOs, which generally can provide care for less than the old fee-for-service arrangement. He quotes an American Medical Association official who says these are "the toughest times for doctors" in American history. "He's right," says Califano, without a trace of sympathy. "And they're likely to get tougher."

Elsewhere, the author is less sure of his prescription. The elderly present a particularly vexing dilemma. Medicare's long-term costs far exceed its expected revenues. Much of its spending doesn't save the dying, but merely postpones death for a few weeks or months. So sooner or later the federal government will have to consider rationing care—refusing to pay for certain treatments for certain patients, as Britain's national health service already does. Overt triage is not an appetizing option. But while Califano spends a lot of time pointing out the

PRAUDA

Now
In English Translation



Unique source material never before available – for who could read the Russian – but now the language barrier has been broken, and this research tool is available 365 issues per year.

Business people, government officials, educators and politicians will find a wealth of information and research material within *Pravda's* pages.

In Full
Newspaper Format

CALL TODAY! 612-646-2548

Subscription: \$630 per year, all 365 issues, or \$99.50 per year, once a week. Visa, Mastercard and CHOICE accepted.
Or Write to:



Associated Publishers, Inc.
2233 University Avenue
Rm. 225 • Dept. AS-9
St. Paul, Minnesota 55114