

## **End of Liberalism 2000s-Present, Lesson 8**

### **Standards:**

1. 8.1.12C Evaluate historical interpretation of events.
2. 8.3.12A Identify and evaluate the political and cultural contributions of individuals and groups to United States history from 1890 to Present.
3. 5.2.12C Interpret the causes of conflict in society.

### **Objectives:**

1. The students will be able to define the term “liberalism.”
2. The students will be able to write a persuasive essay regarding the end of liberalism.
3. The students will be able to analyze an article and assess its bias.

**Subject Matter:** liberalism, healthcare, legislation, progressivism

### **Materials:**

- Computer Lab
- Article - <http://www.thenation.com/article/157511/end-new-deal-liberalism>
- Graphic Organizer
- Persuasive Essay prompt

### **Procedure:**

1. Set: Students will enter the classroom and answer the following question:
  - What is liberalism?
  - Project this following on the board: lib·er·al·ism ; NOUN
    - a. Progressive views: a belief in tolerance and gradual reform in moral, religious, or political matters
    - b. Politics: political theory stressing individualism: a political ideology with its beginnings in western Europe that rejects authoritarian government and defends freedom of speech, association, and religion, and the right to own property
    - c. Economics: free-market economics: an economic theory in favor of free competition and minimal government regulation
    - d. Christianity: Christian theological movement: a movement in Protestantism stressing intellectual freedom and the moral content of Christianity over the doctrines of traditional theology

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  - How does the media/politicians define that term?

2. Reading Activity: Students will read the following article:  
<http://www.thenation.com/article/157511/end-new-deal-liberalism>
  - a. What is the main idea of this article?
  - b. What is the author's message?
  - c. Could this article have a biased opinion?
3. Persuasive Essay: Students will outline some New Deal economic policies using a graphic organizer.
  - a. They will then write a persuasive essay as to whether or not we should believe that the end of liberalism has come with the new state of healthcare in America. Why or why not?
  - b. Students will be given a writing prompt to help guide them in their writing.
  - c. Multiple students will have the opportunity to share their persuasive essays with the class. This, however, will not be a requirement.
4. Close: Students will give short, concise answers to the following question:
  - Do you believe that the recent healthcare reform has brought an end to New Deal legislation?

**Assessment:**

1. The instructor will informally observe students discussing the article questions.
2. The instructor will informally observe the students writing their persuasive essays.
3. The instructor will formally collect and grade the students' persuasive essays.

## **lib·er·al·ism ; NOUN**

- a. Progressive views: a belief in tolerance and gradual reform in moral, religious, or political matters

- b. Politics: political theory stressing individualism: a political ideology with its beginnings in western Europe that rejects authoritarian government and defends freedom of speech, association, and religion, and the right to own property
- c. Economics: free-market economics: an economic theory in favor of free competition and minimal government regulation
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# The End of New Deal Liberalism

William Greider | January 5, 2011

We have reached a pivotal moment in government and politics, and it feels like the last, groaning spasms of New Deal liberalism. When the party of activist government, faced with an epic crisis, will not use government's extensive powers to reverse the economic disorders and heal deepening social deterioration, then it must be the end of the line for the governing ideology inherited from Roosevelt, Truman and Johnson.

Political events of the past two years have delivered a more profound and devastating message: American democracy has been conclusively conquered by American capitalism. Government has been disabled or captured by the formidable powers of private enterprise and concentrated wealth. Self-governing rights that representative democracy conferred on citizens are now usurped by the overbearing demands of corporate and financial interests. Collectively, the corporate sector has its arms around both political parties, the financing of political careers, the production of the policy agendas and propaganda of influential think tanks, and control of most major media.

What the capitalist system wants is more—more wealth, more freedom to do whatever it wishes. This has always been its instinct, unless government intervened to stop it. The objective now is to destroy any remaining forms of government interference, except of course for business subsidies and protections. Many elected representatives are implicitly enlisted in the cause.

A lot of Americans seem to know this; at least they sense that the structural reality of government and politics is not on their side. When the choice comes down to society or capitalism, society regularly loses. First attention is devoted to the economic priorities of the largest, most powerful institutions of business and finance. The bias comes naturally to Republicans, the party of money and private enterprise, but on the big structural questions business-first also defines Democrats, formerly the party of working people. Despite partisan rhetoric, the two parties are more alike than they acknowledge.

In these terms, the administration of Barack Obama has been a crushing disappointment for those of us who hoped he would be different. It turns out Obama is a more conventional and limited politician than advertised, more right-of-center than his soaring rhetoric suggested. Most Congressional Democrats, likewise, proved weak and incoherent, unreliable defenders of their supposed values or most loyal constituencies. They call it pragmatism. I call it surrender.

Obama's maladroitness tax compromise with Republicans was more destructive than creative. He acceded to the trickle-down doctrine of regressive taxation and skipped lightly over the fact that he was contributing further to stark injustices. Ordinary Americans will again be made to pay, one way or another, for the damage others did to society. Obama agrees that this is offensive but argues, This is politics, get over it. His brand of realism teaches people to disregard what he says. Look instead at what he does.

With overwhelming majorities in Congress and economic crisis tearing up the country in 2009, incumbent Democrats opted for self-protection first, party principles later. Their Senate leaders allowed naysayers to determine the lowest common denominator for reform—halfway measures designed not to overly disturb powerful corporate-financial interests, and therefore not able to

repair the social destruction those interests had wrought. Senate Democrats say they didn't have the votes. Imagine what Mitch McConnell would have done if he were their leader: Take no prisoners. Force party dissenters to get in line and punish those who don't. Block even the most pedestrian opposition proposals.

Democrats are not used to governing aggressively. They haven't done so for decades, and they may no longer believe in it. For many years, incumbent Democrats survived by managing a precarious straddle between the forces of organized money and the disorganized people they claim to represent. The split was usually lopsided in favor of the money guys, but one could believe that the reform spirit would come alive once they were back in power with a Democratic president. That wishful assumption is now defunct.

Obama's timid economic strategy can be described as successful only if the standard of success is robust corporate profits, rising stock prices and the notorious year-end bonuses of Wall Street. Again and again, Obama hesitated to take the bolder steps that would have made differences in social conditions. Now it is clear that the bleeding afflictions experienced by the overwhelming majority of citizens will not be substantively addressed because Democrats, both president and Congress, have chosen to collaborate in the conservative cause of deficit reduction: cut spending, shrink government, block any healing initiatives that cost real money.

Republicans, armed with strong conviction, are resurgent with what amounts to ideological nihilism. Leave aside their obvious hypocrisies on fiscal rectitude and free markets. Their single-minded objective is to destroy what remains of government's capacity to intervene in or restrain the private sector on behalf of the common welfare. Many of government's old tools and programs are already gone, gutted by deregulation, crippled by corporate capture of the regulatory agencies originally intended to curb private-sector abuses and starved by inadequate funding. The right wants smaller government for the people, but not for corporate capitalism. It will fight to preserve the protections, privileges and subsidies that flow to the private sector.

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Once again, Republicans are mounting an assault on liberalism's crown jewel, Social Security, only this time they might succeed, because the Democratic president is collaborating with them. The deficit hysteria aimed at Social Security is fraudulent (as Obama's own experts acknowledge), but the president has already gravely weakened the program's solvency with his payroll-tax holiday, which undercuts financing for future benefits. Obama promises the gimmick won't be repeated, but if employment is still weak a year from now, he may well cave. The GOP will accuse him of damaging the economy by approving a "tax increase" on all workers. Senate Democrats are preparing their own proposal to cut Social Security as a counter to the GOP's extreme version. In the end, they can split the difference and celebrate another great compromise.

This is capitulation posing as moderation. Obama has set himself up to make many more "compromises" in the coming months; each time, he will doubtless use the left as a convenient foil. Disparaging "purist" liberals is his way of assuring so-called independents that he stood up to the allegedly far-out demands of his own electoral base. This is a ludicrous ploy, given the weakness of the left. It cynically assumes ordinary people not engaged in politics are too dim to grasp what he's doing. I suspect Obama is mistaken. I asked an old friend what she makes of the current mess in Washington. "Whatever the issue, the rich guys win," she responded. Lots of people understand this—it is the essence of the country's historic predicament.

To get a rough glimpse of what the corporate state looks like, study the Federal Reserve's list of banking, finance and business firms that received the \$3.3 trillion the central bank dispensed in low-interest loans during the financial crisis (this valuable information is revealed only because reform legislators like Senator Bernie Sanders fought for disclosure). If you were not on the list of recipients, you know your place in this new order.

The power shift did not start with Obama, but his tenure confirms and completes it. The corporates began their systematic drive to dismantle liberal governance back in the 1970s, and the Democratic Party was soon trying to appease them, its retreat whipped along by Ronald Reagan's popular appeal and top-down tax cutting. So long as Democrats were out of power, they could continue to stand up for liberal objectives and assail the destructive behavior of business and finance (though their rhetoric was more consistent than their voting record). Once back in control of government, they lowered their voices and sued for peace. Beholden to corporate America for campaign contributions, the Democrats cut deals with banks and businesses and usually gave them what they demanded, so corporate interests would not veto progressive legislation.

Obama has been distinctively candid about this. He admires the "savvy businessmen" atop the pinnacle of corporate power. He seeks "partnership" with them. The old economic conflicts, like labor versus capital, are regarded as passé by the "new Democrats" now governing. The business of America is business. Government should act as steward and servant, not master.

This deferential attitude is reflected in all of Obama's major reform legislation, not to mention in the people he brought into government. In the financial rescue, Obama, like George W. Bush before him, funneled billions to the troubled bankers without demanding any public obligations in return. On healthcare, he cut deals with insurance and drug companies and played cute by allowing the public option, which would have provided real competition to healthcare monopolists, to be killed. On financial reform, Obama's Treasury lieutenants and a majority of the Congressional Dems killed off the most important measures, which would have cut Wall Street megabanks down to tolerable size.

Society faces dreadful prospects and profound transformation. When both parties are aligned with corporate power, who will stand up for the people? Who will protect them from the insatiable appetites of capitalist enterprise and help them get through the hard passage ahead? One thing we know for sure from history: there is no natural limit to what capitalism will seek in terms of power and profit. If government does not stand up and apply the brakes, society is defenseless.

Strangely enough, this new reality brings us back to the future, posing fundamental questions about the relationship between capitalism and democracy that citizens and reformers asked 100 years ago. Only this time, the nation is no longer an ascendant economic power. It faces hard adjustments as general prosperity recedes and the broad middle class that labor and liberalism helped create is breaking apart.

My bleak analysis is not the end of the story. Change is hard to visualize now, given the awesome power of the status quo and the collapse of once-trusted political institutions. But change will come, for better or worse. One key dynamic of the twentieth century was the long-running contest for dominance between democracy and capitalism. The balance of power shifted back and forth several times, driven by two basic forces that neither corporate lobbyists nor timid politicians could control: the calamitous events that disrupted the social order, such as war and

depression, and the power of citizens mobilized in reaction to those events. In those terms, both political parties are still highly vulnerable—as twentieth-century history repeatedly demonstrated, society cannot survive the burdens of an unfettered corporate order.

People are given different ideological labels, but Americans are not as opposed to "big government" as facile generalizations suggest. On many issues, there is overwhelming consensus that media and pundits ignore (check the polls, if you doubt this). Americans of all ages will fight to defend social protections—Social Security, Medicare and Medicaid, among others. People are skeptical to hostile about the excessive power of corporations. People want government to be more aggressive in many areas—like sending some of the financial malefactors to prison.

One vivid example was the angry citizen at a town hall meeting who shouted at his Congressman: "Keep your government hands off my Medicare!" I heard a grassroots leader on the radio explain that basically the Tea Party people "want government that works for them." Don't we all? In the next few years, both parties will try to define this sentiment. If they adhere to the corporate agenda, they are bound to get in trouble, and the ranks of insurgent citizens will grow. Nobody can know where popular rebellion might lead, right or left, but my own stubborn optimism hangs by that thread.

Whatever people on the left may call themselves, they have a special burden in this situation because they are deeply committed to the idea that government should be the trustworthy agent of the many, not the powerful few. Many of us believe further (as the socialists taught) that the economy should serve the people, not the other way around.

The current crisis requires people to go back to their roots and re-examine their convictions—now that they can no longer count automatically on the helping hand of government or the Democratic Party. Obama's unfortunate "hostage" metaphor led *Saturday Night Live* to joke that the president was himself experiencing the "Stockholm syndrome"—identifying with his conservative captors. Many progressive groups, including organized labor, suffer a similar dependency. They will not be able to think clearly about the future of the country until they get greater distance from the Democratic Party.

I suggest three steps for progressives to recover an influential role in politics. First, develop a guerrilla sensibility that recognizes the weakness of the left. There's no need to resign from electoral politics, but dedicated lefties should stake out a role of principled resistance. In the 1960s uncompromising right-wingers became known as "ankle biters" in Republican ranks, insisting on what were considered impossible goals and opposing moderate and liberal party leaders, sometimes with hopeless candidates. They spent twenty years in the wilderness but built a cadre of activists whose convictions eventually gained power.

Where are the left-wing ankle biters who might change the Democratic Party? It takes a bit of arrogance to imagine that your activities can change the country, but, paradoxically, it also requires a sense of humility. Above all, it forces people to ask themselves what they truly believe the country needs—and then stand up for those convictions any way they can. Concretely, that may lead someone to run for city council or US senator. Or field principled opponents to challenge feckless Democrats in primaries (that's what the Tea Party did to Republicans, with impressive results). Or activist agitators may simply reach out to young people and recruit kindred spirits for righteous work that requires long-term commitment.

Second, people of liberal persuasion should "go back to school" and learn the new economic realities. In my experience, many on the left do not really understand the internal dynamics of capitalism—why it is productive, why it does so much damage (many assumed government and politicians would do the hard thinking for them). We need a fundamental re-examination of capitalism and the relationship between the state and the private sphere. This will not be done by business-financed think tanks. We have to do it for ourselves.

A century ago the populist rebellion organized farmer cooperatives, started dozens of newspapers and sent out lecturers to spread the word. Socialists and the labor movement did much the same. Modern Americans cannot depend on the Democratic Party or philanthropy to sponsor small-d democracy. We have to do it. But we have resources and modern tools—including the Internet—those earlier insurgents lacked.

The New Deal order broke down for good reasons—the economic system changed, and government did not adjust to new realities or challenge the counterattack from the right in the 1970s. The structure of economic life has changed again—most dramatically by globalization—yet the government and political parties are largely clueless about how to deal with the destruction of manufacturing and the loss of millions of jobs. Government itself has been weakened in the process, but politicians are too intimidated to talk about restoring its powers. The public expresses another broad consensus on the need to confront "free trade" and change it in the national interest—another instance of public opinion not seeming to count, since it opposes the corporate agenda.

Reformers today face conditions similar to what the Populists and Progressives faced: monopoly capitalism, a labor movement suppressed with government's direct assistance, Wall Street's "money trust" on top, the corporate state feeding off government while ignoring immoral social conditions. The working class, meanwhile, is regaining its identity, as millions are being dispossessed of middle-class status while millions of others struggle at the bottom. Working people are poised to become the new center of a reinvigorated democracy, though it is not clear at this stage whether they will side with the left or the right. Understanding all these forces can lead to the new governing agenda society desperately needs.

Finally, left-liberals need to start listening and learning—talking up close to ordinary Americans, including people who are not obvious allies. We should look for viable connections with those who are alienated and unorganized, maybe even ideologically hostile. The Tea Party crowd got one big thing right: the political divide is not Republicans against Democrats but governing elites against the people. A similar division exists within business and banking, where the real hostages are the smaller, community-scale firms imperiled by the big boys getting the gravy from Washington. We have more in common with small-business owners and Tea Party insurgents than the top-down commentary suggests.

Somewhere in all these activities, people can find fulfilling purpose again and gradually build a new politics. Don't wait for Barack Obama to send instructions. And don't count on necessarily making much difference, at least not right away. The music in democracy starts with people who take themselves seriously. They first discover they have changed themselves, then decide they can change others.

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**Source URL:** <http://www.thenation.com/article/157511/end-new-deal-liberalism>



- **What is the main idea of this article?**
- **What is the author's message?**
- **Could this article have a biased opinion?**

**Is this the end of New Deal Liberalism?**

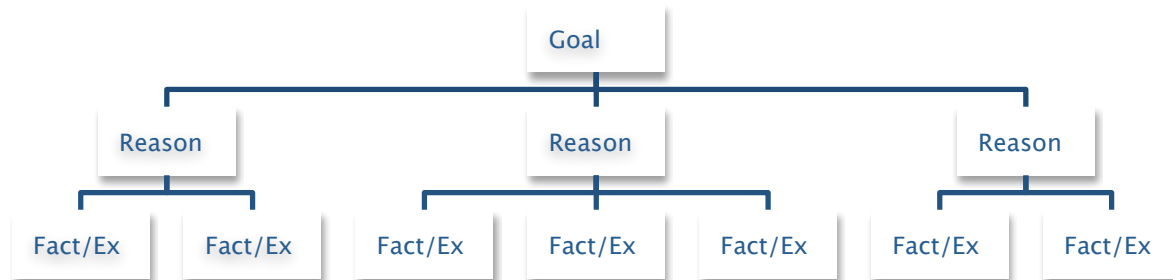


***Should we believe that the end of liberalism has come with the new state of healthcare in America? Why or why not?***

Name \_\_\_\_\_ Date \_\_\_\_\_

**Persuasion Map/ Essay**

Write your goal in the first box. Write three reasons in the next boxes. List facts and examples in the branching boxes. After you have completed the graphic organizer write a persuasive essay as to whether or not we should believe that the end of liberalism has come with the new state of healthcare in America. Why or why not?



Rubric for Classroom Writing		
Response	Criteria	Rating
Exemplary	Clarity of thought, Complete. Shows understanding of all processes, reasonable hypothesis or thoughtful questions and answers, conclusions supportable by data, shows creativity, and factual representation of data or concepts.	5
Very Good	Clarity of thought, shows understanding of major processes, includes good questions and answers, draws acceptable inferences and conclusions, shows some factual representations.	4
Good	Completes the assignment, but some explanations may be slightly ambiguous or unclear. Factual evidence and representation may be lacking in clarity or understanding of processes, and/or conclusions.	3
Satisfactory	Begins successfully, but omits significant parts of factual evidence or may misuse terms. Representations may be omitted, incorrect or incomplete in analysis. Writing lacks inferences and conclusions.	2

Limited	Assignment and explanation are unclear. Incorrect use of terms, inappropriate or omitted hypothesis. No factual evidence or representations are evident.	1
Poor	Product does not reflect the assignment, does not distinguish what information is needed, and/or restates the question/prompt without making an attempt at a solution/answer.	0
No attempt	Does not hand in assignment.	0