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POLITICS & GOVERNMENT

The Next Crusade?

"For A New Equality" by Mickey Kaus, in *The New Republic* (May 7, 1990), 1220 19th St. N.W., Washington, D.C. 20036.

More and more Democrats these days seem to be resuming an old war cry: Soak the rich! Soak the rich!

Kaus, an editor of the *New Republic*, says that the chant sends shivers down his spine. Not because he is a Republican, not (presumably) because he is rich, but because a revival of the politics of redistribution, which he calls Money Liberalism, "would condemn the Democrats to a futile and often incoherent struggle against the basic forces of our economy."

There is no doubt, he says, that income inequality is rising. One study shows that between 1973 and 1987, the share of national income claimed by Americans in the bottom fifth of the population dropped from 5.6 percent to 4.3 percent; the share claimed by those in the top "quintile" rose from 41.4 to 43.9 percent. But it is a delusion, Kaus maintains, to think that these changes were caused by the Reagan tax cuts of the 1980s, or that they can be reversed by heavier levies on the rich. The richest 10 percent of American families enjoyed a \$16,000 increase in after-tax income between 1980 and 1988, but only about \$1,200 came from tax cuts.

Moreover, Kaus says, Democrats can no longer even count on the political logic of Money Liberalism—that the poorest 51 percent of the population will vote against the richest 49 percent.

The forces that have increased economic inequality, he continues, have also undercut a variety of Democratic nostrums: job training programs, trade unionism, protectionism, "flexible" production, profit-sharing. One of the major causes of increasing inequality, he says, is the growing link between pay, on the one hand, and job skills and knowledge: The workers in yesterday's factory were all paid roughly the same wage, because it didn't matter much if one could, for example, tighten a bolt better than another. In the computer age, however, differences matter, and they are reflected in wages.

Instead of engaging in futile efforts to eliminate inequality, Kaus argues, Democrats should "try to restrict the sphere in which money matters, to prevent the income inequality inevitably generated by capitalism from translating into invidious social distinctions." Civic Liberalism, as he calls it, tries to replace the principle of the marketplace (i.e., rich beats poor) with the principle of equal citizenship.

How is that to be done? By aiding or expanding components of the public sphere in order to "induce rich and poor actually to rub shoulders as equals": public schools, mandatory national service, parks and playgrounds, communal day-care centers, national health insurance, and the like. The revival of the public sphere, he says, cannot be complete until the underclass problem is solved. And because adherence to the work ethic is the *sine qua non* of equal citizenship, he favors mandatory jobs for welfare recipients.

The great liberal task of the 1990s, Kaus believes, is "not to equalize money, but to put money in its place."

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