US politics has become an insider’s game

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There's a class war, all right. But it's my class, the rich class, that's making war, and we're winning.

A year out from Joe Biden’s narrow election victory over Donald Trump, the US remains on a knife-edge. Many political outcomes are possible. These range from the gradual economic and political reframing that Biden is engendering in the subversion of election and constitutional rules that Trump attempted to subvert — and that he and the Republican Party are still intent on perpetuating.

It is not easy to diagnose exactly what ails America so deeply that it factored the Trump movement. Is it the illusory culture wars that divide America by race, religion and ideology? Is it the increase in inequality of wealth and power to unprecedented levels? Is it America’s diminishing global power, with the rise of China and the repeated disasters of US-led wars of choice leading to national anxiety, frustration and confusion?

All these factors are in play in America’s tumultuous politics. Yet, in my view, the deepest crisis is political — the failure of America’s political institutions to “promote the general welfare,” as the US Constitution provides. Over the past four decades, American politics has become an insider’s game to serve the super rich and corporate lobbies at the expense of the overwhelming majority of citizens.

Warren Buffett homed in on the essence of the crisis in 2006. “This class war, all right,” he said. “But it’s my class, the rich class, that’s making war, and we’re winning.”

The main battlefield is in Washington. The shock troops are the corporate lobbies who sway the US Congress, federal departments and administrative agencies. The ammunition is the billions of dollars spent annually on federal lobbying (an estimated $3.5 billion in 2020) and campaign contributions (an estimated $1 billion in 2020 federal elections). The pro-rich propaganda ubiquitates the corporate media, by mega-billionaire Rupert Murdoch.

Nearly 2,500 years ago, Aristotle famously observed that good government can turn into bad government through shifting constitutional order. Republics, governed by the rule of law, can descend into dictatorships or rule by oligarchs (a small and corrupt group of personal, often family, contractors). America faces such possible disasters unless the political system can detect and repel the massive corruption of corporate lobbying and campaign financing by the rich.

Americana class war on the poor is not new — it was born in the anarchy of the 1860s and implemented with brutality over the past 40 years. For roughly three decades, from President Franklin D. Roosevelt’s inauguration in 1933 in the midst of the Great Depression to the Kennedy-Johnson period of 1961–88, America was generally on the same development path as another Western European nation, Europe, becoming a social democracy. Income inequality was declining and more social groups, most notably African Americans and women, were making the mainstream of political and economic life.

Then came the revenue of the rich, in 1971, a corporate lawyer, Lewis Powell, laid out a strategy to reverse the social democratic trends toward stronger environmental regulation, worker rights and fair taxation. Businessmen and lawyers such as Richard Nixon nominated Powell to the US Supreme Court in 1971 and won over the Court in the early the next year, enabling him to put his plan into effect.

Under Powell’s polling, the Supreme Court opened the doors to corporate money in politics. In Buckley v. Valeo (1976), the Court struck down federal limits on campaign spending by candidates and independent groups as violations of free speech. In First National Bank of Boston v. Bellotti (1978), the Court permitted corporations to strike down campaign finance limits culminating in Citizens United v. Federal Election Commission (2010), which essentially ended all limits on corporate spending and independent expenditures.

When Ronald Reagan became president in 1981, he reinforced the Supreme Court’s assault on the general welfare by lowering taxes for the rich, waging an all-out war on environmental and workplace protections. That trajectory has not been reversed.

As a result, the US has diverged from Europe in basic economic, well-being and environmental control. Whereas Europe generally continues on the path of social democracy and sustainable development, the US charged ahead on a path marked by political corruption, oligarchy, an ever-widening gap between the rich and the poor, disdain for the environment, and a refusal to limit carbon-induced climate change.

A few numbers tell the difference. Governments in the EU raise revenues averaging roughly 45 percent of gross domestic product, while US government revenues amount to only about 32 percent of GDP. European governments, thus, are able to pay for universal access to healthcare, higher education, family support and job training, thereby preventing the growth in federal achievements. They are also blocking induced climate change.

The resulting social cleavages have led to America’s turmoil.

All these factors are at play in America’s political institutions to “promote the general welfare,” as the US Constitution provides. Over the past four decades, American politics has become an insider’s game to serve the super rich and corporate lobbies at the expense of the overwhelming majority of citizens.

Author’s note: This is the situation that Biden is trying to address, but his success so far has been limited and fragile. The simple fact is that congressional Republicans and a small but decisive group of Democrats (most notably Sens. Chuck Schumer and Bernie Sanders) are blocking a grand bargain to promote a fairer, greener society. They are also blocking decisive action on climate change.

This is the situation that Biden is trying to address, but his success so far has been limited and fragile. The simple fact is that congressional Republicans and a small but decisive group of Democrats (most notably Sens. Chuck Schumer and Bernie Sanders) are blocking a grand bargain to promote a fairer, greener society. They are also blocking decisive action on climate change.

The US is back, at least not yet. It is still in the throes of a struggle to overcome decades of political corruption and social neglect. The outcome remains highly uncertain, and the outlook for the coming years is fraught with peril for both the US and the world.