

Long Waves in American Politics. Part Two: The Obama Question

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Abstract

Barack Obama, committed to ideas of social justice, has attempted to transform the United States into a European-style welfare state via taxation, regulation and legislation, in particular the Affordable Care Act ('Obamacare'), a medical insurance system that de facto is nationalizing one-sixth of the nation's economy. But a slowing economy, mounting unemployment, and increasingly powerful central bureaucracy caught up in spying and other scandals and a disastrous launch of Obamacare are producing a rising tide of resistance and a reaffirmation of individual rights guaranteed by the Constitution. If Obama prevails he will be hailed as another take-off president. If his initiatives are overwhelmed by opposition forces, the effect will restore and strengthen constitutional guarantees that are currently under attack.

Keywords: *long waves, take-off presidents, Jayne, Obama, progressivism, millennials.*

In the preceding essay in this volume Brian J. L. Berry and Denis J. Dean asked whether the election of Barack Obama in 2008 by a new multiracial, multi-ethnic coalition amidst a deflationary depression signaled the arrival of a fifth 'take-off' president, committed to revision of the social contract by creation of a European-style welfare state, withdrawn from world leadership and with significantly diminished military power. The progressive left had been waiting for this moment for several decades. The 'modern liberal' or progressive governance model that envisioned an increasingly active role for the federal government had its origins in the presidencies of Theodore Roosevelt and Woodrow Wilson, but it was only with the advent of the Great Depression in 1929 and the election of Franklin Roosevelt in 1932 that modern liberalism began to see its full expression with the massive expansion of the redistributive and regulatory state. The modern liberal-progressive agenda was further advanced under the presidency of Lyndon Johnson, who brought to fruition a vast expansion of the welfare state, introducing Medicare and Medicaid and the War on Poverty as his Great Society initiatives. Following Johnson, liberal failures produced an increasingly jaundiced view of government, however. The seemingly end-

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less and unwinnable Vietnam War, the social unrest in the cities, and the sense that the United States had lost its way – all contributed, as did the low economic growth and rising inflation, that culminated in the 1979–1981 stagflation crisis.

The reaction came in the election of Ronald Reagan in 1980 over a hapless Jimmy Carter ushered an era of conservative dominance in which the parameters of government action were reset. The private sector became the driving force, and even the election of Democrat Bill Clinton in 1992 could not alter that fact. Indeed, much of Clinton's success was his acceptance of the importance of free markets.

The eight years of the George W. Bush administration, beset by the wars that followed 9–11, left conservatives disillusioned and provided a new opportunity for the left. The election of Barack Obama brought a hard-edged leftism to the Executive Office that had not been seen since the New Deal. Some pointed to the transformative intent, ‘Obama is aiming at achieving a new set of socioeconomic rights, whether through law or through policy’ (Sunstein 2013). Others were not so sanguine, ‘Thanks to the 44th President of the United States, Barack Obama, America will now join Egypt, Persia, Rome, Greece, Nazi Germany, Britain and the rest of the many countries that have risen to power only to be reduced to ruins thanks to their ignorance with regard to its enemies and the hubris to deny such ignorance exists’ (Baker and Peters 2013). ‘For four years, President Obama counted on fellow Democrats to rally to his side in a series of epic battles with Republicans over the direction of the country. But now, deep into his sixth year in office, Mr. Obama finds himself frustrated by members of his own party weary of his leadership and increasingly willing to defy him’ (Baker and Peters 2013). We, therefore, ask again: Is the Obama presidency a ‘take-off’ presidency as E. Jayne¹ has defined it? Did the election of Barack Obama in 2008 and his reelection by a comfortable margin in the Electoral College in 2012 foretell the beginning of a new progressive era? Or is his dramatic reversal in the elections of 2014 a better bellwether? The long-wave timing points to a take-off. Such an era would involve an expansion of the welfare state and a surge in the role of the federal government in many areas of public policy, transforming a nation built on the principles of federalism into one with a quasi-unitary form of government. But if Obama's initiatives are ultimately rejected as inconsistent with the fundamental beliefs that underpin American society, as appears to have occurred in 2014, we should ask ‘What is the alternative?’ There is an increasing belief that the alternative does not reside in a Republican party split ‘between conservatives who want to limit government and extremists who oppose governing’ (Fournier 2013a). Rather, commentators point to the emerging beliefs of the rising generation of ‘millenni-

¹ The essay by E. Jayne (1991) is available at <http://www.edwardjayne.com>

als' – those born since the 1981–1982 stagflation crisis – and the prospect of a Millennial Revolution (Fournier 2013b). Thus, in what follows we explore the nature of Obama's progressive thrust, the countervailing forces that appear to be overwhelming his quasi-socialist initiatives while simultaneously destroying the Republican party opposition, and the nature of the Millennial alternative that may come closer than Obama or the Republicans to a Jayne long-wave transformation.

A New Social Democracy?

What is

at stake is the new, more ambitious, social-democratic brand of American liberalism... Precisely when the GOP was returning to a more constitutionalist conservatism committed to reforming, restructuring and reining in the welfare state... Obama offered a transformational liberalism designed to expand the role of government, enlarge the welfare state and create yet more new entitlements... The centerpiece of this vision is Obamacare, the most sweeping social reform in the past half-century, affecting one-sixth of the economy and directly touching the most vital area of life of every citizen (Krauthammer 2013).

There certainly are good reasons to believe that Obama's initiatives presage a new progressive era. Just a cursory examination of the electoral and demographic landscape would suggest this is the case. An attractive and eloquent African American, Barack Obama, was elected and reelected President by comfortable majorities. The outcome of the 2012 election, in particular, left many observers pondering the very real possibility that such a large percentage of Americans has come to rely upon government assistance that a permanent welfare state dependency has arrived. If that had been the case, the future of limited government and traditional constitutionalism would have been bleak. Once a welfare state is established it is virtually impossible to trim, much less replace or fundamentally reform. As the welfare state becomes a permanent fixture of the political landscape it reshapes the terms of debate and slowly transforms the political culture, which in turn creates even greater opportunities for the expansion of government.

But the 2014 elections, in which the Democrats suffered a major defeat, suggest that the USA has reached a political tipping point. The electorate that elected Barack Obama in 2008 and reelected him in 2012 is a far different electorate from that which elected and reelected Ronald Reagan in 1980 and 1984. Non-minority voters were 85 percent of the electorate in 1980. By 2012, they were only about 72 percent. Immigration, both legal and illegal, and higher birth rates among Hispanics have changed the electoral landscape profoundly. It is not inconceivable that unless the Republican Party begins attracting substantially greater support among Hispanics, it will be impossible for the party to

win elections. Although Republican policy stances on various social issues such as support for the traditional family and for religious values seem to appeal to Hispanics, the truth is that the Republican Party is viewed as unwelcoming by the Hispanics as well as other minorities. In the case of Hispanics, their voting preferences are driven primarily by economic concerns and ultimately the Democratic Party seems to be the natural home for this group, except when the economy is bad and they express their displeasure by staying home rather than voting, as occurred in 2014.

When one also recognizes that African-Americans are likely to remain overwhelmingly Democratic and that the slow unraveling of traditional American values provides endless opportunities for the Democrats to lock in the support of women as well as those who are part of the vast government clientele relying upon public assistance, combined with the support of the lesbian, gay, bisexual, and transgender vote, it is easy to conclude that the Democratic Party is extraordinarily well positioned to dominate American politics at the presidential level for the next several decades. Among women, who not that many decades ago voted Republican, majorities have inclined toward the Democrats in the last seven elections, and among young unmarried and professional women Republicans are typically viewed with anathema. A party that appeals to traditional notions of sexual morality and is viewed as the 'religious party' has little appeal to those whose lifestyle leads to sexual promiscuity, having children outside of marriage, and involvement in homosexual relationships. Particularly given the fact many of these women have fewer socioeconomic opportunities, they are an easy target for a Democratic party eager to expand their base by appealing to ever-expanding government initiatives and supporting either explicitly or implicitly what a few years ago would be far outside the mainstream cultural arrangements. A party that has been in existence for 180 years and has shown an endless capacity to reinvent itself has been extraordinarily successful in building its modern foundation upon social welfare, presenting itself as the guarantor of the maintenance and expansion of the progressive therapeutic state. Building on this new foundation its most probable candidate in the 2016 election is a woman, Hilary Clinton, who is likely if elected to further reinforce the Democratic Party's emergent dominance among the electorate.

But Will Obama Be Transformative?

It is therefore surprising that the verdict on whether Barack Obama will pilot a 'take-off' to a new progressive era is unresolved. This is in spite of his comfortable reelection in 2012 in a campaign that appeared to confirm his aggressive left-progressive agenda by demonizing the Republican opposition. President Obama surely was not a candidate for reelection whose policy agenda was lacking. His second term agenda included the successful implementation of the Patient Pro-

tection and Affordable Care Act ('Obamacare'), a green climate change agenda, immigration reform, gun control, a withdrawal from international leadership, significant cutbacks in the armed forces, and a continuing assault on inequality. Yet many of the domestic initiatives are mired in controversy and may not be successfully implemented.

President Obama's greatest domestic achievement, 'Obamacare', has evolved in ways that do not bode well for Obama or progressivism. Earlier progressive achievements such as Social Security, Medicare, or Civil Rights laws, while initially opposed by many conservatives, were ultimately accepted. That has not been the case with Obamacare, where the opposition by the general public as measured in public opinion polls, the efforts of organized interests, or the continual efforts by Republicans in Congress to defund the Act, has increased amidst a disastrous launch in which computer websites did not work and promises proved to be hollow.

While a detailed analysis of the problem with ACA implementation is far beyond the purpose of this essay, it is nonetheless worth discussing the broad evolution of the rollout because it highlights broader issues of competence and corruption that have afflicted other parts of the Obama agenda. A critical component of the ACA requires individuals, through the so-called 'individual mandate', to purchase insurance. This was to be done through insurance exchanges operated either by the states or by the federal government. Fourteen states ended up operating exchanges, most of them Democratic liberal states where political leadership was enthusiastic about the implementation of health care reform. The rest refused to set up their own exchanges, defaulting to an arrangement whereby the federal government would operate the exchange.

On October 1, 2013, the health exchanges were to 'go live'. Individuals were to be able to go online, find a qualified insurance plan that suits them, and purchase that plan with coverage to begin effective January 1, 2014. Alas, it would be an understatement to say things did not go well. Technical issues with the websites, both federal and state, produced massive failure resulting in only a small number of individuals able to sign-up for insurance. The negative publicity was disastrous and Obamacare became a laughingstock and the butt of jokes on late night television.

Although many of the technical aspects of the website were later fixed, the initial exposure by the public to the website, either through direct experience or second hand, was calamitous from the standpoint of maintaining credibility. But the website was not the only, or even most important, factor. By November of 2013, it became clear that millions of citizens in the so-called individual market were about to lose their insurance because the plans did not meet the minimum coverage requirements set by the ACA. This, compiled with the assurances repeated on multiple occasions by Obama from 2009 to 2012 that 'if

you like your plan you can keep it', was exposed as the words of someone badly misinformed (at best) or a liar (at worst).

More than any other federal government initiative in memory, the early implementation of the ACA has served to remind Americans of the limited competence of government, and indeed incompetence, in seeking to carry out a complete transformation of one sixth of the U.S. economy. The cavalier attitude of the President and his advisors toward Obamacare implementation along with willingness to use executive powers to attack opponents of the administration has resulted in mounting distrust: the Gallup Poll indicated that more than 20 percent of the American respondents believed that the federal government was the greatest threat to their liberties. It may be one of the great ironies of American politics that one of the most audacious governmental initiatives since the passage of Medicare and Medicaid in the 1960s now appears to be resulting in a generational shift in attitudes toward government similar to what happened in the late 1970s. The seeds of political change appear to have been sown.

Of course, it is possible that in spite of the massive opposition seen in the election of 2014, a determined administration allied with left-progressive activist elements will grind their way to a successful outcome over the next few years. The Obama administration is hoping that their hoped-for results will eventually become reality. Combined with financial services reform providing sweeping new regulatory powers to the federal government, new labor initiatives designed to increase union membership, and climate change regulations introduced by executive order after the failure to enact 'cap and trade' legislation, successful implementation of Obamacare would effectively rewrite the social contract, confirm Obama's take-off status, and reinforce our understanding of the long wave take-off relationship.

Yet conservative and libertarian opposition seems to not only have stemmed but also begun to reverse the left-liberal progressive wave. An ascendant Tea Party Movement has energized the Republican base, contributing to the Republican takeover of the U.S. House of Representatives in 2010 and of the Senate in 2014. The politics of midterm elections and the federalist system of governance have emerged as important roadblocks to an Obama take-off presidency. The Republican Party now holds a significant advantage in the House of Representatives, and the Senate, and this is likely to have extremely dire consequences for Obama's progressive agenda. Republicans plan to use their position of strength in both Houses to set the terms of debate on a crucial range of issues, especially the budget and Obamacare. Any repeal of Obamacare would be vetoed by the President, but the Republicans would be in a position to negotiate major changes.

The mid-term election cycle is only one component of the broader political dynamics at work in 2014 and beyond, however. The second component is the politics of the states. Republicans currently hold more than 30 governorships

across the country, and control many state legislatures. This strength in the states puts Republicans in a position to drive state-controlled policy agendas and to hamper the Obamacare implementation process. Republican-led states have been moving in conservative directions on other issues. In January 2013 the State of Michigan adopted right-to-work legislation. Other Republican-led states such as Wisconsin and Ohio have moved to limit union negotiating power, again running counter to Obama's new social contract objectives. The result is a polarization between Republican and Democratic states that has been described by some scholars as 'fragmented federalism' (Bowling and Pickerill 2013). This polarization makes it difficult to implement the kind of left-liberal progressive agenda envisioned by President Obama without creating massively destabilizing centrifugal forces within the political system. A similar regional destabilization followed President Polk's take-off presidency. Focusing on the slavery question, it led to the attempted secession of the southern states and to the Civil War.

The federal judiciary also has presented a vigorous challenge. Recent decisions establishing that the right to bear arms is an individual right have energized conservative and libertarian forces. Perhaps, the most vitriol from the Left has been directed at a 2010 Supreme Court decision (Citizens United) that allowed groups greater freedom to organize for political action. Framed by conservatives and libertarians as a fundamental issue of free speech and by opponents as a decision that opened the floodgates of money into the political process, the reaction of the Obama administration has been to attack Tea Party and related groups that sought to take advantage of the ruling, making use of agencies such as the Internal Revenue Service to attempt to negate the consequences. The Supreme Court also has issued a series of conservative affirmative action and civil rights rulings that have placed constraints around the progressive agenda.

Another reason to believe the nation may not witness a progressive restructuring is an accumulating set of Washington scandals. We describe them as Benghazi, the Associated Press story, and the IRS Tea Party story. Benghazi revolves around questions of what the Administration knew in the hours just prior to and following the murder of the U.S. Ambassador to Libya, who was killed in the early morning hours of September 12, 2012. There are questions as to why efforts were not made to rescue the Americans, what President Obama was doing in the White House while the attack was underway, and why there was an apparent effort to mislead the public and Congress about the event. The AP scandal involves the U.S. Justice Department monitoring of phone calls by Associated Press reporters, seen as a threat to journalistic freedom and an independent press. Finally, the IRS story, one with possibly the greatest potential for political damage, involves ideological and partisan bias of the Internal Revenue Service in targeting conservative groups, denying them tax exempt

status and carrying out aggressive audits. Involvement of the IRS calls into question the integrity of one of the key bureaucratic agents in the implementation of Obamacare. The IRS, under current law, is responsible for implementing numerous aspects of the new health care system. Should the scandal generate increased distrust of the federal government, not only will the implementation of Obamacare be made all the more difficult, a sufficient level of distrust to the federal government may be created that any left-progressive agenda will find itself under attack by those who advocate a much more modest federal presence and reassertion of the federalism principle.

It is tempting to think of these scandals simply as exogenous shocks that sometimes perturb the political balance of power. However, the events seem to represent something deeper and more profound than errors made by overly enthusiastic aides, as has been claimed. The IRS controversy may reflect a crisis of the progressive state, borne of a deep antipathy within a liberal governing elite toward those with a broadly conservative political and cultural outlook. Such an attitude, while surely not universal, is now shared by a sufficient number of progressives, including members of Congress and many within the White House, and has become a fundamental threat to the premises of the American Constitution.

Ultimately the connection between the scandals and the theme of this essay is simple. If the scandals come to be viewed by the public as ‘politics as usual’, then their effect will likely be minimal, at least in the long run. But if they serve to reinforce and deepen what is already a growing antipathy toward Washington elites and the still-vague sense that the federal government is becoming more and more an obstacle to ‘life, liberty and the pursuit of happiness’, a progressive take-off will be contested by an invigorated return to fundamental constitutional principles. Public opinion polls already register a sense of concern among the general public, consistent with this countervailing move. Some public opinion data suggest that the political system could be approaching a ‘pre-revolutionary’ moment. Recent surveys show that only a very small percentage of citizens now believe that government has the consent of the governed. This statement, taken from the U.S. Declaration of Independence, was acknowledged to be true by only 22 percent of respondents in one survey. While the numbers are higher for Democrats than for Independents or Republicans, this low percentage is striking. Earlier polls have shown similar results, another poll taken in 2012 found that 58 percent of respondents felt that an ‘overly powerful’ government is a bigger danger than a weak one, and 51 percent viewed the federal government as a threat to their rights.

Prospective Generational Change?

These beliefs appear to be particularly strong in the millennial generation – the 95 million Americans born between the last stagflation crisis and the most re-

cent deflationary depression, roughly from 1980 to 2007. As a commentator in *The Atlantic* notes (Fournier 2013b):

1. Millennials, in general, are fiercely committed to community service.
2. They don't see politics or government as a way to improve their communities, their country, or the world.
3. So the best and brightest are rejecting public service as a career Path. Just as Baby Boomers are retiring from government and Politics, Washington faces a rising-generation 'brain drain'.
4. The only way Millennials might engage Washington is if they first radically change it.

There is a growing belief that Millennials will produce a radical reconstruction of civil institutions and government, since they have little faith in traditional politics and government in a world polarized by the present two-party system. Predicting 'the beginning of the end for Washington' commentators see one of two results: that the Millennials either opt out of Washington, or that they might engineer a regime change that replaces the current two-party dysfunction (Fournier 2013a).

This suggests three possibilities, each of which points to a radically different future: (1) the establishment of an enduring left-liberal or progressive coalition, the initial stages of which have been put into place by the Obama election and re-election, that is an Obama take-off; (2) a Republican-conservative resurrection over the course of the next one or two election cycles that would result in a return to a limited government, constitutionalist regime; or (3) fractured relations between the national government and the states that drive a Millennial reconstitution in a different form, a profound regime shift. The first two scenarios assume that possible regime shifts occur within the framework of 'normal politics'. The third scenario assumes something quite different: a set of centrifugal forces that lead to a violent lurch toward a fundamentally different system characterized by increased decentralization of power and a dramatic shrinkage of national government authority.

Overview

We thus return to our initial question, will Barack Obama become the fifth take-off present in U.S. history? As we noted in the preceding essay in this issue of this yearbook (Berry and Dean 2015), he was elected via aggressive cultural identity and lifestyle politics and arrived in Washington with a vision of a European-style welfare state with a national health program, steep income taxation that raised tax rates for richer Americans, expanded redistribution of income on grounds of fairness, and a massive expansion of the regulatory powers of the federal government to constrain financial markets and to counter imagined personal and environmental threats, combined with deficit spending and

the maintenance of a permanently depressed underprivileged class dependent upon the federal government and willing to reelect progressives to ensure that welfare redistributions remain and are enhanced. But what is emerging instead is a 'fractured federalism' that may limit his take-off achievements amidst a rising generation that may prefer a more profound restructuring of the political system.

The situation is not unlike James Polk's presidency and its consequences. Polk's belief in 'Manifest Destiny' did lead to a coast-to-coast nation where yeoman farmers could settle new lands. He also reformed the civil service, created a new Treasury System, and expanded the power of the presidency, but as a slave owner he was ambivalent about that fundamental social issue. Following his exit from the presidency in 1849, the U.S. political system became increasingly fragmented and enfeebled. Pressures revolving around the preeminent question of slavery come to the fore, with abolitionist elements and southern sympathizers taking increasingly polarized positions. These divisions also were manifested in the increased factional tensions within the parties, and particularly the Whig Party, which was torn between its Northern antislavery elements and those sympathetic to, or at least ambivalent about, the question. By 1856 these divisions led to the Whig Party's destruction and the Republican Party rising in its place. The Democratic Party did not avoid its own divisions, but they proved not to be as deep and toxic as with the opposition. The consequences for the nation were dire: two political parties, neither of which were able to address effectively the issue that was leading to secession and civil war. The polarization that was playing itself out on the national stage was replicated in the states: the political 'middle' in American politics, at every level, had come undone. Polk was a take-off president not as an immediately transformative policy maker, but because his actions precipitated growing conflict that ended in the Civil War.

We believe that Obama's initiatives will have a similar effect. What his actions have done is to raise the profound issues of the role of government in our lives and what the relative balance between government, the individual and civil society should be. Tensions between the ideals of a comprehensive social welfare state and the principles of republicanism, limited government and the primacy of the individual may well be coming to a head. Our sense is that both parties have reached, or will soon reach, a point of political and moral exhaustion with neither capturing, even in a remote way, the real concerns of voters. As the long-wave clock moves toward another stagflation crisis within the next two decades, it may well be that the Millennial generation will lead us toward a new, more libertarian order that is consistent with important Republican principles, but one leavened with a deeper social conscience that has been desperately waiting for the right movement for several decades.

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