Great Society: A New History is enjoyable and enlightening. Selecting stories as ably as she tells them, Amity Shlaes makes sense of the tumultuous 1960s by relating some of its most significant figures’ quests and clashes. Among her accomplishments is the rescuing from obscurity of men who shaped America’s modern political history and discourse, such as the labor leader Walter Reuther, the economist Arthur Burns, and the banker William McChesney Martin.

To fully appreciate Great Society, however, one must read (or re-read) Shlaes’s 2007 bestseller, The Forgotten Man: A New History of the Great Depression. That the books form a two-volume set is appropriate: because Lyndon Johnson was obsessed with Franklin Roosevelt, he shaped the Great Society to resemble, complete, and surpass his hero’s New Deal.

The New Deal was born of an unprecedented economic contraction, the Great Society of an unprecedented expansion. One might suppose, then, that these two domestic policy crusades would end up being very different. Shlaes, however, makes clear that it’s the similarities between the New Deal and the Great Society that are striking and important, and the reason for this
continuity is that the same restless ideology—progressivism—animated both.

Specifically, her two books show that progressives’ central principle is that activist government is the only mechanism able to solve a modern society’s problems. The corollary of this commitment to government intervention in the nation’s social and economic life is a belief that objections to such intervention are fundamentally baseless or cynical. There is no legitimate concern, in other words, that plenary government will compromise liberty or democracy. By the same token, there is no serious danger that the economy will be less productive when people must anticipate vigorous but unpredictable government redistribution and regulation than it will be when buyers and sellers of goods and services are concerned only with finding mutually acceptable terms of exchange.

From its origins in the late nineteenth century through to the present day, progressivism has been “an alliance of experts and victims,” in the words of the political scientist Harvey Mansfield. Shlaes helped us understand this alliance by borrowing the title of her previous book from William Graham Sumner, the Yale University social scientist. In 1884, Sumner explored a persistent, troubling social dynamic:

As soon as A observes something which seems to him to be wrong, from which X is suffering, A talks it over with B, and A and B then propose to get a law passed to remedy the evil and help X. Their law always proposes to determine what C shall do for X, or in the better case, what A, B, and C shall do for X.

Sumner’s “Forgotten Man” was C. Worse than forgotten, he was probably never thought of in the first place. “[M]any burdens . . . are laid upon” C, Sumner lamented, in that he is a victim of “the reformer, social speculator and philanthropist.”

fdr’s Forgotten Man was X, the victim of some social ill and the object of A and B’s concern. That Roosevelt’s 1932 presidential campaign speech reintroducing the “forgotten man” to our political vocabulary became much more famous than Sumner’s lecture, and devoted not a word to anyone matching C’s description, supports Sumner’s point about the disregard for C.

Indeed, the New Deal did not forget C so much as deny his existence. The New Deal coalition was an alliance of: reformers and philanthropists, such as Franklin and Eleanor Roosevelt (Sumner’s A’s); experts of the sort who populated fdr’s Brain Trust (B’s); and victims suffering privation and fear during the Great Depression (Xs), who could be counted on to elect and reelect gratefully a Democratic Party that took their grievances seriously. As Shlaes wrote in 2007, fdr “systematized interest-group politics . . . to include many constituencies—labor, senior citizens, farmers, union workers. [He] made groups where only individual citizens or isolated cranks had stood before, ministered to those groups, and was rewarded with votes.”

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The New Deal coalition was an alliance against FDR’s “economic royalists,” whose rapacity was the cause, one way or another, of all the problems besetting all the country’s Xs. (Used by William Jennings Bryan and Bernie Sanders, this rhetorical frame predates the New Deal and has outlasted it.) There is no room in this drama for Sumner’s C, the innocent bystander who neither causes nor endures social problems yet always gets stuck with the bill for fixing them. According to progressive logic, any and all who might consider themselves Cs will, if they think about their situations long enough, realize that they really are Xs, suffering some affliction due to untamed capitalism or insufficient social organization.

In other words, nearly everyone is a victim of organized greed or under-organized government, while hardly anyone is victimized by government efforts to combat greed. Thus did FDR’s “Second Bill of Rights” promise farmers and businessmen freedom from inadequate profits and unfair competition. Operationalizing such hazy guarantees, of course, ensured the permanent land rush of “interest-group liberalism,” where private actors grapple for the public assistance that activist government has made crucial to the pursuit of their objectives.

For the same reason, New Deal initiatives like Social Security are universal, requiring every American, however prosperous, to pay taxes into and receive benefits from government social insurance programs. In the words of Wilbur Cohen, an expert instrumental in creating Social Security in 1935 and Medicare thirty years later, “a program that is only for the poor—one that has nothing in it for the middle income and the upper income—is, in the long run, a program the public won’t support.” In Cohen’s view, perpetuating the New Deal coalition required coupling solidarity with stupidity: those not decisively motivated by their identification with the poor will support government intervention because of an inability to grasp the concept of net payments and receipts.

The principal contention of Shlaes’s two books is that the New Deal and Great Society, progressives’ biggest political triumphs, were dismal policy failures according to progressivism’s own standards. “Better the occasional faults of a government that lives in the spirit of charity,” Roosevelt said in 1936, “than the consistent omissions of a government frozen in the ice of its own indifference.” For Shlaes, however, the faults of activist government are not occasional but pervasive. Incalculable government expenditures and innumerable government edicts, all designed to help the nation’s Xs, ultimately did little to banish or mitigate the various social ills from which they suffered. Perversely, many programs left many Xs worse off than they would have been if the government, whether frozen in the ice of its own indifference or merely respectful of constitutional and practical limitations, had refrained from indulging the spirit of charity in the first place.

In Forgotten Man, Shlaes argued that the New Deal made the Depression longer and more severe than it needed to be. Government intervention was so chaotic and destabilizing that the sort of vigorous correction that propelled the economy after a sharp but brief recession in the early 1920s
became impossible. Rather, it took until World War II for unemployment to fall back to where it stood in 1929, and until 1954 before the stock market reached the level it had attained before the crash. Shlaes’s culprits included the failure or refusal to reckon with monetary deflation and the lunatic belief that the cure for an economic contraction was cartelizing American industry under the aegis of fdr’s National Recovery Administration.

Great Society shows how the next swarm of government initiatives unleashed in the 1960s was equally confident, idealistic, energetic . . . and harmful. “The government lost [lbj’s] War on Poverty,” Shlaes writes. Indeed, the new programs and benefits neither cured nor prevented poverty, but “established a new kind of poverty, a permanent sense of downtroddenness.” She shows how government was frantically doing things for poor people, but frequently ended up doing things—bad things—to them. For example, Shlaes endorses the social critic Jane Jacobs’s view that government planners routinely mistook neighborhoods that were economically poor but rich in social capital for slums. Then, in the name of eradicating urban blight, the experts introduced real blight by bulldozing those neighborhoods in order to erect hideous, dysfunctional housing projects. In Great Society’s final chapter, the government dynamites the catastrophic Pruitt–Igoe housing project in St. Louis a mere twenty years after it opened.

The Great Society was more than the War on Poverty, however. For progressives, who wanted a new round of government activism, the long post-war economic boom was a political problem. New Deal exhortations about how “we’re all in this together” would be useless in getting the suburban middle class to support slum clearance. fdr’s Forgotten Men, the Xs, would be increasingly disposed to think of themselves as Sumner’s Forgotten Men, Cs forced to underwrite others’ benefits.

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At first, progressives responded to this dilemma churlishly. The historian Arthur Schlesinger, a speechwriter for Adlai E. Stevenson in 1952, ascribed his candidate’s defeat by Dwight Eisenhower to ingratitude: “Having been enabled by Democratic administrations to live like Republicans, the new suburbanites ended up voting like Republicans.” After Stevenson lost to Eisenhower by an even bigger margin four years later, Schlesinger took a different tack: the new suburbanites were indeed prosperous, but also victims of problems government intervention could remedy. Even as the New Deal had “fought economic unemployment,” he wrote in 1957, the task now was to “fight spiritual unemployment,” which would entail addressing “the quality of popular culture and the character of lives to be lived in our abundant society.” This notion turned up in Lyndon Johnson’s 1964 speech proclaiming the Great Society as “a place where leisure is a welcome chance to build and reflect, not a feared cause of boredom and restlessness.”
In other words, the new suburbanites “were somehow miserable without knowing it,” as Alan Ehrenhalt wrote in The Lost City (1995). The diagnosis served the political purpose of telling middle-class Americans that they, too, were victims of social ills to be remedied through government intervention. But, unsurprisingly, the remedies that followed from this half-baked diagnosis were unimpressive. The Great Society launched new federal initiatives in public television and radio, the arts and humanities, primary and higher education. Many things can be said for and against them, but no sane person believes that they combined to make Americans constructive and reflective rather than bored and restless.

In both her books, Shlaes makes extended, detailed arguments that whatever beneficial effects individual New Deal and Great Society programs might have had were more than negated by the macroeconomic consequences of the cumulative efforts. By the late 1930s, many of the physicians assisting “Dr. New Deal,” as fdr sometimes called himself, concluded that the stagnant economy was not the fault of their diagnosis or remedies, but of the patient having become a “mature economy” that would never again exhibit youthful vigor. “The peak of the mechanical age has been passed,” one argued in 1938; “The boom of the 1920s was its final flowering . . . the culmination of our growth and the ending of a long chapter in our history.” Naturally, progressives wanted to respond to permanent stagnation with permanent regulation, to manage the economy “deliberately and directly” to promote “the welfare of the community,” in the words of the economist Stuart Chase, who coined the term “New Deal.” Which is to say, the patient’s continued illness demanded a larger dose of the very medicine that was debilitating him.

The Great Society was predicated on the opposite conviction: America had become an “Affluent Society” (the title of John Kenneth Galbraith’s 1958 bestseller), whose irrepressible growth meant that worries about finite resources could no longer excuse tolerating remediable social problems (There was no such thing as an irremediable social problem.) Treating America’s new prosperity as permanent and inexhaustible, the Great Society proceeded to kill the goose laying the golden eggs, setting in motion what Shlaes calls an “economic tragedy.” Neither the inflation of the 1970s nor the transformation of America’s industrial heartland into its Rust Belt was inevitable, she argues. Both were direct, foreseeable consequences of short-sighted choices: demanding that monetary policy accommodate irresponsible fiscal policy, and labor and management agreeing to enrich one another by fleecing customers and shareholders ever more brazenly.

The political consequences were as bad as the economic ones. A decade of over-promising and under-performing from Democratic and Republican administrations left growing numbers of Americans believing that cynicism about government was both better than naiveté and the only alternative to it. Ultimately, nothing is more corrosive to the alliance of experts and victims than a growing belief that people are being victimized by experts. Sumner’s better case, where A and B decide how they will join C in helping X, does not always obtain. That is, the experts are not always disinterested, and they sometimes use their powerful positions to find ways to avoid the consequences of their own innovations. Court-ordered busing to achieve school integration, for
example, involved many children, but few whose parents were the judges, lawyers, and activists who promoted this remedy.

Even where the experts are self-aware and honorable, they are not always sufficiently expert. They know many things, perhaps, but their tragic flaw is that they can be counted on not to know what they don’t know. The foreign policy hubris that made America’s war in Vietnam a debacle was of a piece with the heedlessly arrogant domestic policies that led to rioting, depopulation, and de-industrialization in Detroit.

Moreover, precisely because their careers, power, and status depend on claims to expertise, experts are uniquely incapable of uttering the magic words “We were wrong.” In 1932 fdr called for “bold, persistent experimentation,” but also said that if an experiment fails, “admit it frankly and try another.” History shows that progressives have been much better at boldness and persistence than at frankness and humility. The inability or refusal to abandon failed experiments has proven to be one of progressivism’s gravest defects. Shlaes argues that the Great Society was replete with initiatives, like the Office of Economic Opportunity, that measured themselves in terms of outputs, dollars spent or clients enrolled, while being indifferent to outcomes, people actually ending up better off than they would have been if the program had never existed. “The political success of a project,” she writes, the evidence of governmental dedication, caring, and energy, “mattered more than empirical success.”

Taken together, Shlaes’s two books about twentieth-century progressivism make clear that Sumner was right, though not quite in the way he laid out. A and B, the Lady Bountiful reformer and self-confident social scientist, really are indifferent to C, the conscript who bears the consequences of their reforms. It turns out, however, that A and B aren’t really that interested in X, either. Whether government interventions leave the victim of social ills better or worse off than before has very little to do with the advocacy, rendering, and perpetuation of those interventions. What matters to A and B is acting in ways that enhance their esteem for one another, and for themselves, as “people who care.” But as the philosopher David Schmidtz has argued, caring is worse than meaningless if it regards only noble intentions rather than actual consequences, intended and unintended. As he puts it, “If you’re trying to prove your heart is in the right place, it isn’t.”

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