
LIFE AMONG THE DIVIDES

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National health insurance and I go back a long way, certainly to 1960 at the University of Texas in Austin, when I watched Kennedy and Nixon debate Medicare on a flickering black-and-white television screen. But I think I can trace the roots of my interest back even earlier, to a trip I took from San Antonio to east Texas when I was a senior in high school.

It was December 1954, just before Christmas, and my parents had driven to Tyler, Texas (where most of our relatives lived), for the holidays. I was to join them later, taking the train late one afternoon for a six-hour trip that put me in Troop, Texas, around midnight. From Troop, passengers for Tyler, thirty miles away, had to take a bus. There were about ten of us, half of us white, half of us black. The blacks sat in the back of the bus.

We had to wake up the driver, who was sleeping on the back seat, and soon after we got under way it became obvious that he was drunk. The road was narrow and winding. The driver was swerving erratically back and forth all over the road. Some of the young blacks went up front and asked him to drive more slowly. He told them loudly to go back and sit down, or to “ring the bell and get off the bus.” The older white women were silent, staring straight ahead. Then two of the young black men came to me and asked if I could get the driver to slow down. I went up and asked him to drive more

carefully. He responded only that everyone should sit down, “unless you want off the bus, with your friends.”

I went back and talked with a young black man, who seemed about twenty. He said we ought to get off or “we were going to get killed.” I rang the bell, and five of us — two black women, two black men, and I — got off the bus. It was cold, down in the thirties. We all walked to a farmhouse we’d passed a half-mile back. Not a single car passed. It was about one o’clock in the morning.

While the others waited in the yard, I stepped up on the wooden porch. A suspicious white woman finally answered my knock and let me in to use the phone. She offered to let me wait inside until my relatives came to pick us up, but I declined. When I finished my call, I went out to tell the group we had a ride. I waited on the porch, facing the group silently standing in the moonlight at the edge of the yard. The lights went off in the house. My father and cousin came to get us. The ride to Tyler was in almost total silence, two races in the South separated by front and back seats.

When I was much younger, in Tyler, we had lived on a semicircular street that followed a ravine behind the houses. Every day after school and all through the summers we played endlessly in the woods and gullies of the ravine. One day I played with the son of the black maid who had started coming a few days a week, when my mother became ill. The other boy and I played all morning, but we were both reserved and quiet around each other. It was one of my few firsthand experiences with black people my own age before that bus trip years later. It was as if I had lived most of my young life playing on the boundaries of that small ravine in which my friends and I whiled away hours in the dream world of childhood, only to discover through a seemingly unrelated incident the great secret: that the gully led out to a huge canyon stretching as far as the eye could see, a fault line that ran across the entire continent, dividing black and white, rich and poor, North and South, traditional and modern, and much else.

The trip to Tyler, looked at one way, was a fairly routine event on a small road in East Texas. The woman let me make the call, and my father and cousin took us all to town. After we had let the four others off, my father went to the bus station to complain to the management, but otherwise we never talked much about the incident again. I could only sense his helplessness and powerlessness at an order of things he thought would not change any time soon. Yet the trip represented a new starting point for me, helping me to see myself and my life in the South in a very different light. It came to symbolize for me the way in which race drives a wedge into our communities and our common interests. We passengers on the bus shared a common interest in getting the driver to slow down, but the factor of race and its larger meaning was a powerful barrier to our acting quickly, and together, to get the situation in hand. The driver knew that he could shield himself from any company scrutiny by playing the race card. The older white people were frozen in inaction out of fear of taking the part of the blacks who had complained.

I resolved that I would leave the South as soon as I got out of high school. I would move to San Francisco, or Chicago, or New York. But of course I didn't. I stayed to go to college at the University of Texas, and I later lived in North Carolina for some fifteen years.

As I see it now, forty years later, what I experienced then — what I already in some sense had begun to know — was the darker side of America. Our divided body politic, a division whose fundamental source is the scar of racism, is the key that unlocks much of the mystery of our politics. I came to believe that our politics, and perhaps politics everywhere, is not so much about “issues” or “problems” as about the huge gulfs and divides — particularly the divides of race and class — that move under the American society like vast tectonic plates, shaping and deforming its political reality.

I was born in 1937 in Marshall, Texas, near the Louisiana border, and lived in Tyler, Texarkana, Jacksonville, and El Dorado, Arkansas. Most of these towns bordered the East Texas and southern

Arkansas oil fields. My father's family came from the small town of Horatio in the southwestern part of Arkansas, near the recently famous Hope; my mother's family from a small Oklahoma town called Bokchito, named for the Bogue Chito Indians that had settled there from Mississippi.

We were not poor, but we were only a step or two away. The single thing I remember most about those days is that everyone lived in duplexes — my family, my grandparents, my aunts and uncles. We lived in small brick or frame duplexes built in the 1930s for families who came to work in boomtowns while the Great Depression was going on. My grandparents in Kilgore, Texas, lived in an even smaller, unpainted frame duplex, surrounded by a forest of oil derricks. Yet even in those early years I was learning about politics. When we occasionally drove over to Louisiana, my father always remarked about the better roads there and the accomplishments of Huey Long, a very controversial man who nevertheless left tangible progress that was plain to see when one crossed the state line, leaving Texas.

At the edge of most of these towns in Texas, in Tyler and Marshall and Texarkana, one could find small, pathetically underfinanced black colleges and elsewhere the hardscrabble schools for black children. I would ride my bike past Texas College in Tyler and wonder what went on in the mysterious place where “colored people” studied, apart from us. My bus trip and the *Brown v. Board of Education* decision in 1954 helped me see these pitiful schools in an entirely new light; I wrote a senior honors paper that year on segregation in Texas schools; to do so, I visited a black school and interviewed the principal. An editorial I wrote for the high school paper, opposing segregation and the pledge of resistance to *Brown* by southern governors, was picked up and carried by the *Christian Science Monitor*.

In time I formed a geologic sense of politics, seeing it as a struggle to live with the deep forces moving under the surface of American society and culture, the struggle to live with the divides, to bridge

them when one can, able to close them completely only rarely. Race and class are not our only divides. Culture and values, region and religion separate us as well.

All nations have these divides, but ours exist partly by design. Our constitutional theory uses divides between the branches of government as the protection thought necessary to us against the abuse of power. Other divides, just as important and crippling, are those left by our history of slavery and by a plantation economy for half the nation and an industrial revolution for the other half. In addition, a great Civil War, Reconstruction, segregation, vast waves of immigration, religious sectarianism, an all-out war against organized labor, the Cold War — all these have caused a vast continental nation to be crisscrossed by huge faults, boundary lines, and divides that run in every direction and that shift unexpectedly, recasting problems along lines of traditional hatreds and fears, pulling them into the chasm below, preventing the unity and connections necessary for solving our most pressing problems, from the environment to the health care crisis.

The divides are likely the major reason why we failed to adopt a national health plan in the past. Jill Quadagno, in *The Color of Welfare*, reviews three major explanations for our unfinished welfare state (and, by extension, for our lack of national health insurance).¹ The first is the *liberal values* thesis, or the thesis that our social policy is weaker than Europe's because we hold pro-market and individualist values and reject too much government. This is the thesis of analysts such as Seymour Martin Lipset;² a variant offered by James Morone, argues that we want both community and solutions to problems, but the latter choice implies bureaucracy and thwarts community.³ The second explanation is the *state-formation* thesis offered by Theda Skocpol, and it contradicts the first one.⁴ Skocpol argues that when we tried a huge (for its time) federal pension program for widows and orphans of Civil War veterans — a program created by and leading to the establishment of Republican

hegemony in national politics for a generation — the corruption was so great that it soured the public on the federal government's first foray into the welfare state. A third explanation is the thesis that we have a *weak and divided working class* and labor movement, which was easily split after the original passage of New Deal and Great Society legislation. Quadagno argues for a fourth explanation, that race — and the way it has shaped our politics — is the primary determinant of the shape of our welfare state and the fundamental explanation for our weak social provision.⁵

I agree that race is likely far more central in explaining the state of our political development than the absence of pro-government attitudes, or our facile belief in participation and community, or our earlier experience with pensions for veterans' widows and children. But the race issue can easily be misunderstood. The major point is that race has deformed our politics by dividing the primary instrument for social reform, the Democratic Party, down the middle and that this divide has become the fundamental fault line leading to the sharp gulf between the market and the communal realm, between national and state government, between traditional values and the modernizing world. The path of the divides is full of twists and turns and the unexpected.

I saw the divides as a kind of permanent horizon, a powerful social order, something in our present age akin to the New Testament's idea of principalities and powers.⁶ Once, in Chicago in the mid-1980s to attend a meeting, and out for a pre-dawn walk in Grant Park (the scene of the riots at the Democratic National Convention of 1968), I suddenly came upon a statue of an enormous and powerful horse rearing up on its hind legs, looming over me in the dark. Seated on the horse was a grim Civil War general. The statue's quality of wildness and power was chilling. The divides seem to me like that — hidden, sudden, and ominous. I also came to *see* that as a nation our only hope for overcoming these divides lay in turning to new institutions and policies that would draw upon the power

of community and equality, in creating flesh-and-blood institutions where we could see with our own eyes that we were members “one of another.”

Only part of this was in my mind back when I was a high school student; what I did acknowledge was the permanence of the gulf between me, standing on the porch, and the people waiting at the edge of that yard. That divide ran far beyond East Texas, out across a vast nation, and the only remedy I could think of was to invoke somehow a huge political power to bridge and overcome such divisions. That power would come from the outside, from Washington, D.C., and the national government. It would be a power that spoke for the common people, the poor and the middle class alike. That power was most obviously present in the form of the New Deal and in the bitter political battles after World War II, such as the famous Lyndon Johnson–Coke Stevenson race for the Senate in 1948. I came to believe that a power outside the South was the only way we could make progress, and the two emblems that stood in my mind for that power were the Social Security card I got when I was a freshman in high school, going for my first job, and— a few years later— my draft card.

Two years after the bus incident I enlisted in the **U.S.** Army (the draft then made it seem likely that I would go anyway) and encountered my first taste of social equality. My basic training company at *Fort Bliss* in El Paso, Texas, was filled with blacks, Puerto Ricans, Mexicans, Cajuns, and whites—recruits from all over the United States. The man who slept in the bunk above me was named Bergeron, and he was from Homa, Louisiana. Bergeron was shocked, as were many of **us**, to find himself surrounded by blacks and Puerto Ricans in the lunch line, in the showers, and in the squad rooms. He reacted by fighting, endangering the few teeth he had left. Still, by the end of the eight weeks we had settled into a kind of rough camaraderie. The army, as much as any experience I had growing up, taught me the rules and practice of shared equality, despite its

order of ranks and hierarchy. You slept on the ground together, you ate together, and you traveled across the country together, and some of the friendships I formed then remain to this day. A year later, traveling to my assignment at the **U.S.** Army Language School in California, I thought nothing of interceding with the bus driver when he told a black woman that she couldn't get out and get milk for her baby at the Greyhound station. (In those years, I seemed to work out my social justice complaints while riding buses. Later it would be while trying to integrate movie theaters.)

For many young men and women of the South during this period before the 1960s, it wasn't a march across the Selma bridge or police dogs or sit-ins that brought home to us the great divide of race. Instead, it was minor incidents like getting off a bus on a country road in Jim Crow country with four black strangers. The scene of the silent group of blacks standing in the moonlight on the other side of the yard had more to do with my ideas about politics than any hundred books I have read since. My very idea of myself as someone who was to leave home and its values, as someone who sought respect for the dignity of each individual and a system of social equality to secure that dignity, has its origins in this incident. Although we were physically separated by only a few dozen yards, measured in experience we might as well have been standing on opposite rims of the Grand Canyon. Into that great chasm could slip the entire hopes of a great nation.

THE ORIGINAL IDEA OF NATIONAL HEALTH INSURANCE

Even growing up in the South in the post-World War II period, it was impossible not to have one's ideas about politics shaped by the New Deal. The New Deal's core faith, as Samuel Beer and John Kenneth Galbraith have argued, 'was a national one, strengthening the national community, and unifying the nation around new na-

tional institutions that overcame the divides of poverty, region, and race. A central part of this “national idea” was the mobilization of what Galbraith later called “countervailing power.” In coining this term, Galbraith meant that new national institutions could solve the central problem of the public in modern, technological society: They could mobilize diffuse, hard-to-organize interests spread across millions of individuals, in order to confront the far smaller but well-organized, influential, and rich groups that dominate the political process (in the health field, the public versus organized medicine, or the hospitals, or the drug industry). Creating a new national institution directly augments the public’s power and gives it concrete expression. The New Deal’s big idea was policy, and new institutions can reshape politics.

As Galbraith pointed out, the American economy and society had in the twentieth century become continental in scope while our government remained deeply divided between the states and a weak national government and the government at the federal level was divided against itself: Congress opposing the president, and the courts opposing both. In this environment, southern Democrats, exploiting the one-party dominance of the region, played a central role in the Congress, controlling the top committee chairmanships and other leadership positions. As John Egerton reminds us in *Speak Now against the Day*, the main purpose of southern politics during the period after the first wave of New Deal reforms, was to form a southern bloc in Congress, to seek power at the federal level in order to hold the line against a flood of changes believed to be coming from Washington.⁸

To climb out of the Great Depression, the nation needed a new source of power sufficiently strong to oppose the national economic and professional interests, from big business to organized medicine. This new power — the power of the national community — would be a “bottom-up” coalition of the poor, the working class, and the middle class: a coalition of plain people. The new coalition would

seek to overturn, permanently, the previous era's "top-down" coalition of business interests and the middle classes inaugurated by the election of President William McKinley in 1894.

The institutions created during the New Deal were designed to produce a new progressive majority in the United States, principally by fostering economic development and employment and developing programs for domestic security — Social Security, unemployment compensation, worker's compensation — which joined the middle class and the poor in new universal programs that served everyone. The theory was that the middle class would rise to defend these programs at election time, preventing reactionaries and conservatives in both parties from rolling the political clock back.

Today, mobilizing public power and utilizing it to forge a new bottom-up coalition is seldom discussed among the experts in the health field. This despite the fact that universal health care was a central part of President Bill Clinton's strategy to put the Democrats back on track in national politics, and despite the fact that many Republicans took the political implications of health care reform for their own party with deadly seriousness. The health experts have moved on to other things than politics.

Some experts and many politicians reject such ideas because of their New Deal roots; the New Deal, by their lights, is dead and gone and good riddance. But mostly, the experts on health care are either economists or political scientists who play second fiddle to economists. They see the need for health care reform as largely an economic problem and a sign of market failure. I see the need for health care reform as a sign of political failure. I don't mean just the failure of the United States to adopt a national health plan; I mean the disabling and neutering of the public by the present health system, and the urgent need to strengthen and reconstruct the public as the first task of reform.

There are exceptions to these generalizations. In addition to the literature mentioned above that seeks to explain why we don't have

a stronger welfare state, Theodore Marmor, Jerry Mashaw, Philip Harvey, Henry Aaron, Theda Skocpol, and Rashi Fein have all sought to enlarge our understanding of the wider political and policy dimensions of health reform and national health insurance.⁹

CHRONIC INSTABILITY:

HEALTH CARE'S ACHILLES HEEL

I wasn't banking on a political revival of New Deal sentiment to get us back on track in health care reform, however. I thought it would happen differently. Democrats would be led to embrace health care reform for the most practical of reasons: Experts such as Thomas Edsall, Mary Edsall, Thomas Ferguson, Joel Rogers, Mickey Kaus, and E. J. Dionne argued that the party was on the ropes and badly needed a dramatic way to advertise their return as a party championing middle-class interests.¹⁰

The New Deal arose in times vastly different from our own. We are not in a great depression. In the health field the interests are huge and well financed and organized (the health sector was less than 4 percent of the gross national product [GNP] in the late 1940s). The problems of the American health care system are far more complex; almost thirty years of sharply rising costs have destabilized it. The middle class has joined the nation's poor in doubting its protection against unaffordable medical bills. Never-ending increases in insurance costs crowd out wage increases. Employees fear changing jobs and losing their insurance, while employers edgily seek to shift coverage costs to workers' shoulders. Workers often strike to defend their health benefits.

Defending against rising costs usually only adds more costs. Private insurers routinely require doctors and hospitals to justify their use of costly procedures, adding red tape to the system. Medicare's prospective payment system of price controls, called diagnosis-related groups, has added a new layer of administrative personnel to

the nation's hospitals." Today, the United States spends well over twice what Canada does on administration.¹²

Rising costs are shredding the private insurance market. As waves of increases hit every year, insurers seek ingenious ways to avoid sick people. Entire trades are "red-lined" as too expensive to insure; insurance for small business is drying up.

Further, it was precisely because the health care crisis threatens the middle class along with the poor that reform efforts seemed inevitable. Runaway spending on health care — uncontrolled, uncapped medical money and the threat that it poses for all poor and middle class Americans — would finally push us to form a new institution to cap spending and assure health security for all, a new national health plan.

Growing up in East Texas, in towns in or near the oil fields, one of my most vivid memories is driving with my parents in the night and watching the flares as a gas or oil well was allowed to "burn off." Occasionally, when a well blew up, there would be a big fire. The health care system has for years been the great runaway well of wasteful spending, and the sheer magnitude of the uncontrolled dollar total expended on health care will be the prime reason we finally move to cap it. What we do may not be pretty, and it may not be elegant, but we will have to reform the system, whether we like it or not, because of what all this spending will do to everything else we want to do. At least this is what I thought back in 1988.

This way of thinking about health care by noneconomists (like me) drives some economists wild. In the mid-1980s one of our most insightful health economists, Uwe Reinhardt, asserted that the cry of "too much spending on health care" was "baloney."¹³ Reinhardt argued that those of us who saw health care spending as wasteful forget that all that spending is income for someone else. He pointed out that when the automobile industry grows by 10 percent, government declares a national holiday; when health care spending increases by the same amount, we call it a crisis. He went on to say that

too much attention was paid to health care spending as a percentage of GNP; there was no evidence that societies spending 15 percent on health care were any less “efficient” than societies spending half that amount.

But Reinhardt’s point ignores the fact that 40 to 50 percent of all health care spending comes from taxes, a percentage that will surely rise with national reform; hence, a rise of 10 percent in health care spending each year means either a rise in taxes by the same amount or tremendous conflict as we attempt to cut the side of health care that government pays for and ignore what private insurance pays for.

When I first started teaching in 1972, we were spending about 7 percent of the GNP on health care. In 1980, when I went to Washington for a year, health care spending was at 8.5 percent of GNP. In 1988 it was roughly 12 percent. By 1995 it was over 14 percent. Since 1972, health care spending as a percentage of GNP has doubled, and since 1980 it has grown by 50 percent. Whereas in 1970 and 1980 we spent proportionately either the same or a little more than the Canadians, today we spend almost 50 percent more.

It gets worse. By the year 2001 we will be spending 18 to 20 percent of GNP on health care. In the decade from 1992 to 2001 that extra growth will cost us an extra \$1.5 trillion. The extra spending that comes from a rate of growth keeps making the health sector bigger and bigger, relative to other sectors of society. That \$1.5 trillion represents \$600 billion in new government taxes and an equal amount in business costs.¹⁴ Beyond any doubt, such spending will wreck the Medicaid program nationally; this is the driving force behind the moves in the present Republican Congress to “cap” Medicaid or to disestablish it as a federal entitlement, making it a block grant to the states.

Huge new costs will pose an equally ominous threat: The spending on health care will threaten and begin to unravel Medicare. Medicare is our only universal health insurance program, albeit for

the nation's elderly population. Without reform, the only way the federal government can protect itself from huge annual increases in Medicare spending is by cutting the program, a process that has been going on for some years now and will most certainly accelerate (in 1995, as I write, this is already happening) if the Republicans remain dominant in Congress and especially if they capture the presidency.

HEALTH CARE REFORM AND THE NEW DEAL LEGACY

The Democrats today are split into several camps, in large part because of disagreements over what to do about the New Deal legacy. According to a scheme constructed by Aaron Wildavsky, the Old Democrats include many who openly advocate holding on to much of the New Deal's faith in national institutions and a strong commitment to equality.¹⁵ Other Old Democrats are less strongly committed to national institutions yet retain a strong commitment to policies that promote equality among the various constituencies of their party, from women to blacks to Latinos. These Democrats also are receptive to the idea of using market incentives and giving the states a larger role to achieve these ends. A third group, the New Democrats, believe that the New Deal no longer has any lessons for us, and they are much more strongly pro-business. Many of them are southern conservatives and moderates. Bill Clinton is a New Democrat trying to strike a deal with Old Democrats. The Republicans have of course attacked the New Deal era and its reputed love of big spending (while openly supporting such cornerstone New Deal achievements as Social Security); Ronald Reagan even threw a party celebrating the end of the New Deal.

I do not dispute the claim that the New Deal is no longer our governing philosophy, but I do believe that the New Deal's theory of institution-building forms a big part of what we know about how

national health plans work. The essence of this institution-building theory was not just *bigness*. The New Deal attempted to forge a national community strong enough to bridge the deep divides of American life and to do so by means of institutions that unified and held the public together. The community that the New Deal sought was captured in something very simple and quite small: the Social Security card that every American soon carried. This small scrap of paper helped strengthen what Martin Buber and John Steinbeck called the “we” side of life.¹⁶

The “we” side of public life is strengthened when a new institution changes social reality by changing the way people relate to one another—in the case of health care, the way they see one another in relation to hospitals, clinics, physicians, and how these are paid for. New institutions change the nature of the body politic. The major symbol of this transformation need not be a big government agency located in Washington; it can be the single card that each person carries in his or her pocket, capturing new values, new behaviors, and a new political reality for the entire nation.

T. H. Marshall had this to say about universalism as an idea.

The extension of the social services is not primarily a means of equalizing incomes. In some cases it may, in others it may not. . . . What matters is that there is a general enrichment of the concrete substance of civilized life, a general reduction of risk and insecurity, an equalization between the more and the less fortunate at all levels—between the healthy and the sick, the employed and the unemployed, the old and the active. . . . Equalization is not so much between classes as between individuals with a population which is now treated . . . as though it were one class.”

The cluster of values that seems central to me in health care reform is centered on the idea of community and the civic or communal sphere, where community means solidarity, social or shared equality, and strengthened public power rather than a close, face-to-face intimacy.

Richard Titmuss, the great English social theorist and one of the architects of the British National Health Service, told a story of his own sickness that seems to me to identify precisely this idea of community. Sitting on a bench outside an English health service x-ray room, he was waiting his turn to learn more about his cancer. The man ahead of him was Indian. Titmuss thought it entirely fitting that what determined his place in line was not his status or the color of his skin but the vagaries of the London transportation system.¹⁸

LIVING WITH THE DIVIDES

In one way or another, I have lived my life with the divides of American life as a kind of permanent horizon, beginning with the divide of segregation and the powerful ways that institution deformed our national and regional politics through the 1960s and beyond, waiting for the Democrats to fight for the policies that would bridge them and forge the national community. My own life and the lives of millions of other Americans have been directly shaped by this great party's inability — from the Great Society years to the present day — to rise to the occasion, in large part because the divisions in American life stretch deep within the party itself, rendering it incapable of fighting for the changes we need to get the nation headed into new territory. Ironically, what the Democrats did decide to do, from Lyndon Johnson's War on Poverty to Jimmy Carter's decision to abandon national health insurance, only deepened the divisions in the party and the nation and helped foster a powerful conservative backlash.

After graduating from the University of Texas in 1962, instead of going into politics or law (I did spend a brief period at the University of Texas Law School), I went to California to work in the aerospace industry. I had decided to take leave of a life lived under the sky of enormous obligations. I wanted a piece of the American dream: a good job, a family, a lawn to mow every Saturday. And for a little bit

the divides receded for me, and for the country itself. In the early 1960s, there was an optimism about overcoming the divides of the nation. President John F. Kennedy, despite his narrow victory over Nixon, argued that ours was a time of the end of ideology and that most of the problems we faced were technical ones, to be solved by expertise.

I eventually linked up with the Life Sciences Division of North American Aviation, a small division composed of systems analysts and engineers pulled from the Apollo and Saturn programs to solve the nation's social problems, including health care problems. (Kennedy, it will be recalled, was big on going to the moon.) We had contracts with the Department of Health, Education and Welfare to study better ways to organize the fledgling kidney dialysis technology, to modernize the U.S. Public Health Service hospitals, and to design a field hospital for the U.S. Army.

Yet I was barely settled in California, firmly planted on the up escalator of economic advancement, when the divides returned to haunt me. One morning a fellow worker came rushing into my office area and told me that "one of your fellow Texans has shot the President." The rising chorus of news about Vietnam and America's increasing involvement in that war was next. I was driving **up** Rosecrans Boulevard toward San Gabriel one sunny California morning when I heard President Johnson on the car radio announcing the big escalation of the war in Vietnam. Then came the riots in Los Angeles, and in 1965 I found myself sitting on a hill in the San Gabriel Mountains with a friend, a Jew recently arrived in the States from South Africa, watching the smoke billow up in the distance from Watts, in south Los Angeles.

Yet I was still hopeful that LBJ and his party could change their course and the course of the nation. In 1966, when an opportunity came to move to Washington to represent the Life Sciences Division, I jumped at the chance. California and the dream of the private life and endless accumulation had finally left me cold. I bought a new

Volkswagen beetle and drove Route 66 in June 1966, arriving in Washington on a Friday afternoon. I rented an apartment in southwest Washington, home to the growing horde of Great Society bureaucrats and lobbyists. I spent the weekend walking the streets of the city, seeing the offices of the famous law firm formed by heroes of the New Deal, Arnold and Porter, and offices of the *New Republic*. Just down the street was the Office of Economic Opportunity. A few blocks away, on Connecticut Avenue, I walked past Paul Young's restaurant, which I already knew was a big haunt of the Washington lobbyists. I had breakfast in Scholl's restaurant, where another patron pointed out the political soothsayer and astrologer Jean Dixon sitting several tables away. I walked down to the Washington Monument and up to Capitol Hill. On Sunday, in a DuPont Circle bookstore, I bought a copy of David Bazelon's book *The Paper Economy*, a valiant late 1950s attempt to keep the spirit of the New Deal alive.¹⁹

I was exhilarated to be in the capital. It was here I first heard about public health as a special field of endeavor; many of the people I dealt with in Washington were career Public Health Service officers. Although in late 1966 and early 1967 there were clear signs that things were going wrong for Johnson and the Democrats, I tried to ignore them. My beat as a Washington representative was the astounding number of new programs in the health field spawned by LBJ's Great Society. Medicare and Medicaid were just being implemented across the nation. We were all going to remake America. It was commonly accepted during that time that national health insurance was just around the corner. Washington bureaucrats saw themselves as assembling the foundations of a new health care order with their regional medical programs, comprehensive health planning agencies, Indian health programs, environmental health, and the like. The head of the Life Sciences Division back in California in 1966 was Al Marriner. Dr. Marriner had been named to the Committee of 100, a group of prestigious Americans promoting a national health plan

and headed by Walter Reuther, head of the CIO. Marriner, a physician and an expert in aviation medicine, was strongly in favor of national health care reform.

Yet in truth, had we had eyes to see more clearly, the health care system we were assembling in the Great Society was creating in its disarray and excess a disorganized, pluralistic system that was inherently unstable, rapidly inflating, and quickly reaching an upper limit of coverage at somewhere around 80 to 85 percent of the public. Far from preparing the country for a new institution and a new national health plan, our system soon became the major stumbling block to national reform. For example, the success of the small Life Sciences Division was predicated on getting grants and contracts from the burgeoning health programs of the Great Society, including the Office of Economic Opportunity's neighborhood health centers to studies in hospital design and modernization. Universal health care would have likely made many of these small grants and programs evaporate and have left organizations like my own Life Sciences group out in the cold, just as surely as a hungry Defense Department budget was already grabbing more and more dollars for Vietnam.

We were assembling instead a pluralistic health care system containing an army of experts, various research enterprises, myriad new programs, and a strengthened set of interests opposed to fundamental reform. At the center of this enterprise was a Medicare program so generous and negligent in its financing as to embolden those interests and spawn decades of runaway costs. Taken together, these programs and this profligate system of funding led to the growth of the medical industrial complex, filled with academics, private research firms, consultants, and a steadily growing group of Washington lobbyists and representatives (of whom I was one). And these groups, in time, became a major force for blocking reform or at least bending it away from the original New Deal conception of strengthening the national community and the public power.

Johnson, in his understandable desire to put the nation on a new

course for the nation's poor and blacks, had launched the War on Poverty, with its centerpiece of community action. This program was designed not so much to bridge the chasms of race as to remedy directly the deficits of poverty and race. It was not an economic failure. The poverty rate during the Great Society years fell dramatically, as a result of the high rates of growth and also of spending to close the gaps between individuals. In the political sense, however, it was a tremendous failure, and not the least of its problems was that it permitted Johnson's opponents to raise the politics of division, arguing that the Democrats were partial to blacks and to those on welfare.

By 1968 and 1969 the Great Society was in deep trouble, likely already over. Riots and a growing backlash among white voters would threaten the Democrats' national constituency among blue-collar workers and Catholics from 1968 on. Republicans increasingly used the word "liberal" to denote not just "big spender" but also someone who wanted to treat minorities preferentially in what later came to be called "racial liberalism."²⁰

Carole and I lived in southeast Washington, about four blocks from the Capitol. When the weekend of the riots came, the congressman from Milwaukee across the street packed up and left. We stayed, and that Saturday night we watched from a friend's house as the 14th Street corridor poured out smoke. (Later, our friend went to work for a Senate committee and eventually became a top Reagan appointee.)

As the months wore on, the Vietnam War slowly began to replace the Great Society as the dominant news story in Washington. Protest marches grew in size and frequency; the toll of the war on civilian spending became more and more marked. I marched and protested on the weekends, and during weekdays I tried to monitor the spreading profusion of government agencies in health, from new agencies regulating traffic safety to the new Medicare program.