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U.S. AGRICULTURE, INSTABILITY AND
NATIONAL POLITICAL INSTITUTIONS:
THE SHIFT FROM REPRESENTATIVE
TO PARTICIPATORY DEMOCRACY

James T. Bonnen

Agriculture has long lived in a sea of uncertainty. I shall argue that we face greater instability and uncertainty today than is generally appreciated. We have always lived with the uncertainties of weather, disease and pests. In the last four decades, however, this has been partially reduced by the mechanical, chemical and scientific revolutions which give us increasing control over agricultural production. The high price support, production control programs of the 1930s eliminated much of the intraseasonal market uncertainty and isolated many of our major commodity markets from the rest of the world until the 1960s. Over this period, instability arising from markets was under some restraint and that arising from the bio-physical nature of agriculture was declining.

What happened to change all this? Major modifications were made in the 1960s in wheat, feed grain and cotton programs, lowering the nonrecourse loan guarantee to world price levels and exposing U.S. markets to world events. U.S. farmers were subsequently able to compete in world markets. Development in low-income countries through the 1960s and 1970s expanded world food demand. The explosion in U.S. exports through the 1970s is due in no small part to the drastic decline in the value of the dollar. This began when the U.S. left the gold standard (1971) following several devaluations. It accelerated when the industrial nations moved from a system of fixed to flexible exchange rates (1973). The dollar also declined over the 1970s because of the erosion of the post-World War II dominant economic and political position of the U.S. in the world. We no longer get our way just by insisting on it.

The enormous growth of the world trade economy, in which the U.S. now participates fully, has resulted in a degree of interdependence of national economies that would have been unbelievable two decades ago. Every nation attempts to isolate itself from the undesired effects of internationalization through exchange controls, trade barriers, state trading, etc. Even so, interdependence has led to important institutional changes in all major markets. The result is that in the U.S., and in varying degrees elsewhere in the world, the segregation of markets has broken down. Trading and arbitrage occur daily between commodity markets, markets in securities, foreign exchange markets and capital markets. Instability and uncertainty anywhere is immediately transmitted to all markets.

The normal instruments of national economic policy, including agricultural policy but especially monetary and fiscal policy, have lost much of their effectiveness for managing any nation's economic performance. Even in an economy as large as that of the United States, sovereignty has eroded in political as well as economic terms.

The world economy has entered a new era in which only new international institutions, international cooperation, and international policies can regulate or moderate the growing instability and uncertainty arising out of worldwide interdependence and the declining effectiveness of domestic institutions. Effective international cooperation and institution building seem beyond our capacity today. As long as that is true, the instability and higher levels of uncertainty arising out of the internationalization of the world economy will continue to plague the U.S. and its agricultural markets.

The U.S. economy is in a vulnerable condition today. We have traded high rates of inflation and growing deficits for low inflation and deficits so large they have dangerous long-run implications. In four budget years, the Reagan administration cut domestic social welfare program expenditures by \$39.6 billion, but simultaneously added \$47.4 billion to interest payments on the debt. The increase in interest payments is generated by the runaway deficits the administration created with an unprecedented cut in tax rates and burgeoning military expenditures. The national debt has about doubled in four years. Economists do not generally worry about national debt as long as it grows more slowly than the economy. But that is not the case today. We cannot grow out of this problem.

The administration has just put forth an FY 1985 budget so unbelievable that both the chairman of the Council of Economic Advisors and the director of the Office of Management and Budget immediately disavowed it. Senator Dole,

Republican chairman of the Senate Appropriations Committee, characterized the proposed 1985 budget as involving the risk of propelling the U.S. economy into an economic "black hole" from which it might never recover. In economic policy timing is crucial. Unless taxes are increased and/or expenditures reduced this year while the economy is still expanding, we are likely to kill the recovery with another recession by initiating such change in 1985. If that happens we will face not \$200 billion but \$300 billion deficits by the end of the decade. Senator Moynihan, Democrat of New York, observed that some in the Congress believe that these deficits were created for the purpose of destroying the federal government. I believe they are wrong. Few policy disasters are created by plots. They arise out of incompetence, stupidity, misinformation and greed. Even with an optimistic scenario, it will take into the 1990s to get the current structural deficit under control. We should recall that after the structural breakdown of the world economy during the Great Depression, it took a world war to produce a full recovery. We cannot afford another such breakdown of the world economy.

Not a cheerful place to start, but you will admit that all sectors, agriculture included, face high levels of uncertainty and instability today. With well-informed, strong national leadership I am confident that we can master these challenges. However, we must understand and be willing to face our economic problems before satisfactory solutions can be effected.

As if this were not sufficient, I would like to discuss two additional sources of instability that disturb the agricultural policy process. Professor Hillman asked that I update for you the changes in the agricultural policy process, a subject that I originally discussed at a seminar here in 1976 (Bonnen 1980). In addition, I will assess changes in our political institutions since 1970 that have altered the environment and increased the uncertainty within which national policy is made, agriculture included.

The Agricultural Policy Decision Process

With few exceptions, agricultural legislation in the 19th century was general social legislation from which all farmers, often all citizens, benefited and in which farm interests for the most part coincided with the public interest. However, starting slowly in the late 19th century through the 1920s, but growing explosively during the Great Depression, Congress passed very different types of agricultural legislation. This included:

1. Legislation regulating different aspects of agriculture, e.g., fertilizer and seed standards, regulation of markets, animal health and food safety.
2. Legislation establishing policies and programs in rural free delivery of mail, conservation, agricultural credit, rural electrification, rural roads and many other investments in the physical infrastructure of agriculture.
3. Legislation to support the prices of a few politically favored "basic" crops starting in 1933.

This legislation, especially that for specific commodities, began the fragmentation of general social policy into legislation providing selective benefits (or costs in the case of some regulations) for specific economic groups. A farmer was affected so slightly by any single piece of agrarian legislation in the 19th century that many farmers were not interested in and often did not even support the legislation. The introduction of very narrow kinds of commodity and other legislation, with major impacts on the immediate welfare of specific groups in agriculture, created concentrated interests that motivated those affected to organize to influence policy decisions. As a consequence of this type of legislation, commodity organizations and other narrow organized groups began to replace general farm organizations as the primary vehicles for political expression of farmer interests.

Soon after passage of commodity legislation, tightly-knit, producer-interest lobbies emerged around each commodity. These interest groups developed close relationships to the relevant commodity subcommittees of the agricultural committees of the House and Senate and with the administrators of "their programs" in the Department of Agriculture. This three-way community of interest grew to be a closely managed decision-making structure. Policies were quietly developed and quietly administered in these "triangles of power" or subgovernments. There was little public conflict. This arrangement provided agricultural producers with a monopoly of power over national policies affecting their economic interests (Lowi 1965). The monopoly was so complete that even the secretary of agriculture and the president of the United States were routinely excluded from the decision process. Exceptions occurred only when major conflicts rocked the "triangle of power," keeping a consensus from developing. Such occasions were rare in the 1940s and early 1950s. This era can be characterized as a period of farm policy controlled by farmers.

All of this has changed. Farmers no longer have a monopoly of power and greatly resent nonfarmers intervening in

agricultural policy. They think of this new situation as abnormal, even immoral. The fact is that for most interest groups that participate in national policy this is the normal situation, one which requires formation of coalitions with other interest groups in order to influence or dominate national policy. In agricultural policy legitimate new actors have joined the decision process, changing the outcomes and the coalitions that dominate many of those policy outcomes.

By the late 1950s the industrialization of U.S. agriculture had specialized agricultural production to the extent that it fragmented producer interests. In addition, agribusiness groups realized by the late 1950s that the soil bank and other supply controls impaired their welfare. Thus, as crop surpluses and excess farm production capacity grew, conflict occurred between farmer groups and agribusiness interests. The organized political intervention of agribusiness forced farm producer interests to compromise and slowly moved farm policy toward a food and fiber sector policy.

Over the 1950s and 1960s producer interests were progressively fragmented by the specialization of agricultural production. This led to growing conflict between and within commodity groups as the interests of farmers diverged commodity by commodity and region by region. When combined with conflicts between agribusiness and the farm producer interests, it became increasingly difficult to develop a consensus within this "subgovernment" (Heinz 1970). It is a principle of government that as conflict increases, the locus of decision is forced to progressively higher levels when a consensus cannot be reached. In the 1960s a deadlock such as this forced agricultural policy decisions toward the secretary of agriculture (e.g., the 1961-63 grain legislation) and to the president in the late 1960s and early 1970s (e.g., the 1965 sugar legislation which was initially drafted in the Executive Office of the President).

From the middle 1960s through the mid-1970s new actors entered the agricultural policy debate. The bracero farm labor program was killed in 1964 by a coalition of labor unions and the churches! The food stamp program began to expand rapidly after it acquired labor union and welfare organization clientele. By the 1970s expenditures for the food stamp program were larger than for the farm program. All of this was, of course, facilitated by the 1960 and especially 1970 reapportionment of the House of Representatives, which increased urban, consumer, and labor representation while reducing rural and farm influence. The 1965 omnibus farm legislation saw the first coalition of farmer, agribusiness, labor and consumer interests. The legislation

passed by a comfortable margin only because of this supporting coalition of diverse interests. Farm and agribusiness groups compromised with others to hold the coalition in place. Labor wanted food stamps available for strikers plus low food prices. Welfare organizations were interested in food stamps for the poor and for keeping food prices low. The consumer organizations were, of course, interested in low food prices, nutrition and food safety.

The fragmentation of economic interest in agriculture grew even more intense through the late 1960s and early 1970s. The conflict had become so intense by the 1970s that the procedural and substantive confusion on the floor of the House of Representatives during consideration of the 1973 agriculture act was so profound that it is a minor miracle that any omnibus farm bill passed that year. In other words the "triangle of power" or "subgovernments" have fallen apart with increasing frequency as the levels of conflict have risen. More conventional, loosely related "power clusters" composed of larger numbers of actors have developed (Ogden 1983).

During passage of the 1970 and 1973 agriculture legislation, the level of conflict was so great that the White House backed away from providing the usual legislative leadership. This responsibility was pushed off on Congress because the political costs were high and the potential gains low for the president. Agricultural legislation had become a no-win situation for the president. Thus, farmer and agribusiness interests found it even more difficult to obtain their major policy objectives without support from labor and other interests. Bargaining had become extremely complex and policy outcomes very uncertain. By the 1970s no agricultural legislation was possible in the House without at least an implicit coalition with labor, consumers and welfare interests.

The political glue that has held the farm program in place for over a decade has been the trading material provided by the food stamp program and related special feeding programs for children and women. Even with it, legislation is difficult to get through Congress without White House leadership because coalitions are difficult to form and have proved inherently unstable. Labor has had a coherent viewpoint and is well organized. You can do business with labor leaders but consumer and welfare groups are more difficult to work with. The consumer interest is quite diffuse. It focused clearly in 1973 only because of the incredible jump in food--especially meat--prices that year which led to consumer boycotts and related consumer activity. Welfare organization interests, on the other hand, are intense or concentrated but were not well organized until the late

1970s. While the farmer has a concentrated interest in the farm programs, farmer interests have become increasingly fragmented. In addition, farmers have held very unproductive political values. Farmers tend to view labor as the enemy and the welfare population as freeloaders. In the early 1970s, forming political coalitions with such groups was distasteful to farmers and therefore dangerous for farm politicians. As a consequence, the 1973 agriculture act was a near accident both in content and in passage. The outcome of this reluctant coalition, however, moved agricultural policy beyond food and fiber sector policy toward a national food policy. Farm producer and agribusiness interests remain the strongest partners in the coalition.

This complexity and confusion was disturbing enough to farmers, but during the course of the 1970s the U.S. agriculture sector was internationalized as the U.S. grew increasingly dependent upon the rest of the world economically and politically. I have already described the events that led to the great expansion of agriculture exports and the opening up of our agricultural markets to world forces. Between 1965 and 1980, exports expanded more than seven times over. Most export growth came after 1973 as a consequence of a rapid decline in the value of the dollar, a bad crop year over a large part of the world, plus a change in the agricultural policy of the U.S.S.R. The Soviets had long slaughtered their livestock in bad crop years, but they suddenly began to import grains in 1973. This imposed a heavy burden on world grain supplies just as all of the excess production capacity of the 1960s had been absorbed (Hathaway 1974). Today about thirty percent of the income of American farmers is generated in international trade. Thus, when exports fall off as they have during the 1980-83 recession, farm income is seriously affected.

As these changes have occurred, substantial bureaucratic power shifts have followed within the executive branch of the U.S. government. When it became necessary to form coalitions with labor, consumer and welfare interests in order to get agricultural legislation passed, the USDA's food stamp program and the assistant secretary responsible became bureaucratically more influential as this area simultaneously became the scene of considerable conflict over whether the USDA should be sponsoring a "welfare program." Secretary of Agriculture Earl Butz proposed to give the food stamp program to the Department of Health, Education and Welfare. That would have destroyed the political capacity to hold the farm programs in place. Secretary Butz was only engaged in political posturing to keep farmers happy. He had to know that Jamie Whitten, chairman of the House Agricultural Appropriations Subcommittee, would never let that happen.

With the lowering of price supports in the 1960s followed by the internationalization of agriculture, the commodity program bureaucracy of the Agricultural Stabilization and Conservation Service (FAS) became an important political focus for commodity interests in the 1970s. As exports grew to be more and more important to farmer and agribusiness welfare, the role of FAS export promotion programs became more important. The economic interests of export firms and their cooperators has forced them into the political fray (Hathaway 1981).

There have also been shifts in intra-cabinet and White House-Executive Office agency relationships. The USDA, in collaboration with Congress, used to develop executive branch agricultural policy positions in the 1950s and early 1960s with periodic pressure and criticism from the Council of Economic Advisors and the Bureau of the Budget. Now the USDA finds itself faced with the additional participation not only of White House special assistants but the Office of the Special Trade Representative, the State Department and the Treasury Department as well as the Department of Defense and the National Security Council, as agricultural exports have not only become important to the national economy but have been used as a diplomatic weapon. The farm magazines in the 1970s used to ask, "How many secretaries of agriculture are there in Washington, D.C.?" as they observed the shift of power away from the USDA and toward other agencies. Which agency exercises the greatest influence on a specific decision depends on the political context at that moment and the nature of the issue, as well as the personalities and influence of the individuals leading these different organizations.

Another major shift in relative power has been caused by the rapid expansion of regulatory intervention in agriculture since 1970. This period is characterized by the growth of the Occupational Safety and Health Administration (OSHA) and the Environmental Protection Agency (EPA) regulations, although it is not limited to them. As a consequence of the importance of regulatory impacts on farmers, the USDA has acquired a greater internal mediation role for farmer and agribusiness interests in government and the role of general farm organizations has been revitalized relative to commodity organizations. The latter occurred when producer interest lobbying on regulation was undertaken chiefly by the general farm organizations. Well over half of general farm organization lobbying today is devoted to regulatory problems. The revival of the influence of general farm organizations has also been propelled by the growth in international trade. The marketing and commercial activities of the general farm organizations have been extended into the trade promotion and policy area. Single commodity organizations have not been as effective. Some have not even

responded to these broader areas of policy.

All of this change has increased the number of actors and the diversity of interests that participate in making agricultural policy. This in turn has increased the levels of uncertainty and reduced the stability of policy for agriculture. Let me turn now to the changes that have occurred in our political institutions over the last decade and the impact this has had on the policy environment in Washington, D.C.

The Changes in United States Political Institutions

Whatever one's politics or political goals, it has to be conceded that government has not been working well over the last decade. Contrary to popular belief the problem is not one of too many politicians who have spent too much time in Washington, but of too few with Washington experience. The problem is not due to the hypocrisy, incompetence, greed or stupidity common to politics and most human activity, but to an unraveling of traditional political institutions. No matter which party has been in power, from the point of view of institutional efficiency and effectiveness, government is not performing as well as it once did.

The old concentrations of power in Congress and the executive branch and the stable coalitions that once formed the base of the parties are gone. The old system and the old way of doing business have disappeared. We are now in transition to something as yet unseen, presumably to some new set of coalitions and to a different way of making the political system work. Today this creates a great deal of uncertainty and instability in national policy processes.

Why has this change occurred? In part, it arises out of the effects of changes in social values and communication technologies. But it comes most directly from the decisions we have made since 1970 to reform our political institutions. These reforms have combined with other changes to fragment the political and policy decision process and the institutions by which this nation is governed.

The reforms rose out of a major societal crisis. The crisis began with society's Vietnam trauma and the imperial presidencies of Lyndon Johnson and Richard Nixon. It was compounded by the Watergate scandal and the assassinations of President Kennedy, Robert Kennedy, Martin Luther King and the attempts on the life of Governor Wallace and President Ford. These events, with the help of the media, created a belief that our political institutions had failed and spread

a cancerous cynicism about all authority, especially in government. It dissolved the stability of the depression-born political consensus and the reigning social and political values of our society. It led to a reform of the primary election process and of campaign financing, to a reform of the parties and their rules and to a reform of the Congress and its rules.

The purpose of these reforms was to open up and make more responsive and accessible what was perceived as a closed and unresponsive political system that no longer had the legitimacy of broad citizen support. The reforms did open the political process to all of its frustrated critics and to anyone who wanted to "participate." It hardly seems objectionable to make a democratic political process more democratic. However, the effect of dismantling the old system has not only been to open up and democratize the political process but also to destabilize it by magnifying conflict while reducing the institutional capacity to resolve conflict. This has occurred at all levels of political and policy decision.

We have increased the transaction costs of doing the nation's business. Stable decisions and the national interest increasingly elude us. Narrow economic and political interests dominate the decision process, most clearly in the Congress but also in presidential and Congressional elections. My thesis is that this increase in the disorder in basic political institutions has led to a very unstable decision process for all policy. In other words, the disorder today in the agricultural policy process does not arise entirely out of the forces within agriculture or the national and international economy.

Let me describe this transformation by going through what has happened to the role and behavior of the primary actors, that is interest groups, Congress, the presidency, the media, and the parties.

Interest Groups

In the political system that prevailed through the 1960s, only major economic interests were highly organized and had effective access to political decision makers. These interest groups were large, fairly long-lived coalitions. They were themselves usually combinations of relatively diverse economic interests organized as broad functional areas (e.g., business, labor, agriculture) of the economy that had evolved a clear identity of interest due to 19th century industrial specialization. Labor struggled to organize from the late 19th century on, but only achieved legal status

with the Wagner Act in 1935. The legal and medical professions organized when they were given the coercive powers of the state to regulate entry and standards.

The newer "single interest" groups have come into existence in reaction, primarily to government policy actions. Before the 1960s, these smaller interests generally were not well organized and, even if they were, did not have the same degree of access to decision makers that the large economic coalitions had. Besides personal contacts, access is the product of at least three things: the dollar resources that a group can command; its organizational capability, especially in mobilizing grassroots political support; and also the rules of, and degree of concentration of power in, the decision systems that interest groups attempt to influence.

During the 1970s, several changes strengthened single interest groups and their influence. One was the great increase in government regulation and other policy intervention in the society, creating many legitimate new interests both as positive and negative reactions to those policies. In addition, the political reforms of the Congress, the parties, the electoral process, and campaign financing have vastly increased the degree of access which relatively small, well-organized interest groups can achieve. Many of these single interest groups (and some political organizations) today are modeled on the civil rights movement. They have a highly developed organizational structure reaching to the grass roots that is capable both of political mobilization and the organization of dollar resources. In addition, during the 1970s the large agricultural, labor and business coalitions that had been dominant were increasingly fragmented by intense industrial specialization. These large, broad groups with fairly common interests began as the product of industrial specialization. But as specialization became more intense in the post-World War II decades, they fragmented into narrower subgroups (single interests?) whose economic concerns are in substantial conflict. I have already described this in the case of agriculture.

Thus, the political reforms and grassroots organization combined with computerized direct mail solicitation of funds make it possible today to organize any intense special interest, however small. They now swarm over Capital Hill and the executive branch like locusts, creating a storm of political conflict that is rarely resolved and from which no congressman can hide. When power was concentrated in the leadership and the committee chairs, a congressman had some defenses. If pressed by some interest group to vote its way on a dubious bill, he could be very sympathetic but say, "I will have to check with my chairman." Then he could

return to the interest group and report that the chairman had said that the vote was "wired" to go the other way and that the leadership wanted it that way, so the congressman had better go along or he would find that his committee assignments the following year were poorer than his current ones. The interest group usually wanted a sympathetic congressman to be more rather than less influential. This was a convincing defense. It is no defense at all today, since few chairmen have the power to enforce such discipline, and the interest groups know it.

Interest groups, both the old and new, use a variety of methods in influencing the policy process. A great deal of their activity is simply education, providing facts and informing the public and policy makers about their side of any issue. They will in addition lobby and work with the party leadership, legislators, political appointees and administrators of the executive branch to inform and persuade them of the rightness of their cause. They also facilitate the congressional oversight function by watching all of the actors and reporting on them to the others, as it seems useful in their own interests. Finally, and importantly, they put money on the "right side" in campaigns. Many interest groups systematically contribute to both sides (e.g., the dairy lobby, but usually giving more to incumbents than challengers). Others will contribute only to proven supporters. Some interest groups run negative campaigns against a candidate rather than in favor of an opponent. Examples of this include the abortion and anti-abortion interest groups, and the National Conservative Political Action Committee (NCPAC). These groups have gained notoriety by their success in defeating some candidates. Such tactics are a form of political terrorism that contributes to a continuous instability of the political process and to a decline in the capacity to make decisions or make them stick once they have been made. Elected officials blow one way then another as single-interest guerrilla war rages about them.

Congress

C. Wright Mills (1956) observed in the 1950s that Congress no longer deals effectively with national level issues. My reading of history tells me that Congress never dealt very effectively with national level issues. Congressmen are elected from local districts and represent a myriad of small local interests politically and financially. Members of Congress are deeply involved with and dependent on these parochial interests. Mills correctly points out that changes have occurred that make this deficiency in Congress's nature worse than it had been. The first is that, with the growth of an executive branch bureaucracy in this century, the power of policy decision has increasingly been

shared. In other words, when there was little or no bureaucracy, Congress was the sole national level policy-making instrument. The other thing that made decision making more difficult for Congress was the development in the late 19th and early 20th century of a few large national interest groups that tended to dominate many national policy issues.

Industrial specialization leads to differentiation of economic and therefore political interest. Its forces first create the incentive for large interest groups to form, such as business, labor and agriculture. Further specialization following World War II, however, progressively fragmented these larger interests into many narrower competing economic and political interests. Thus, interest groups first forced Congress to share power, and then (about the time Mills was writing) the progressive fragmentation of interest groups made it increasingly difficult for Congress to make any decision. Thus, today on many national issues, for example agricultural policy, the president usually must provide some leadership, if the outcome is to be coherent and in the national or public interest. A tactic increasingly used by presidents on major issues has been to go over the head of Congress to the people, mobilizing public opinion in order to move Congress in the direction in which the president is trying to lead.

Through the 1970s, a series of political reforms in Congress made the process of Congressional decision even less predictable. The old Congressional decision process depended on a seniority system in which access to positions of power turned on acquiring twenty or so years of seniority and the approval of the leadership within the party in Congress. In other words, Congressional power of decision was concentrated in a hierarchical structure. It tended to be dominated in the 1950s and 1960s by seventy and eighty-year-old representatives from one-party districts and states concentrated in the South when the Democrats were in a majority, and in the Northeast and Midwest, especially rural areas, when the Republicans were in power. There were no limits on the number of subcommittees that senators or representatives could chair along with being chairman of a committee. Power was further concentrated because Congress did its business with many fewer committees in the 1950s and 1960s.

Major reforms of their Congressional parties were implemented by the Democrats during the 92nd, 93rd and 94th Congress, stretching from 1971 through 1975. Democrats controlled Congress in this decade. In the 92nd Congress, the majority caucus of the Democratic party adopted a rule allowing any ten members to demand a caucus vote to override the leadership's selection of any committee chair. They also changed the rules of the House to open up the committee

structure by restricting to one the number of subcommittees that any congressman could chair. The chairman of a full committee was limited to chairing only one subcommittee. Also, pressure from members led to an explosion in the number of subcommittees over the first half of the 1970s. The number of subcommittees increased to 157 in the House and to 124 in the Senate to allow more members to run something. Including full committees, there were 326 committees in the Congress when I last counted.

In the 93rd Congress (1973-1974) the Democrats continued dismantling the seniority system by providing for an automatic caucus vote on each committee chair appointed by the leadership, without the ten-member demand. This set the stage for the 1974 elections when the largest number of new members since 1948 was seated. Then at the start of the 94th Congress in 1975, four more procedural changes were made by the Democratic party caucus in the House:

1. All appropriations committee and subcommittee chairs were made subject to caucus confirmation.
2. The speaker/majority leader (or minority leader, if Democrats were not in the majority) was required to nominate all Democratic members of the Rules Committee, submitting the nominations to the caucus for ratification. Previously the speaker/majority leader had simply appointed the Rules Committee members.
3. A Democratic party Steering and Policy Committee was created to "assist" the leadership in developing party and legislative priorities, scheduling floor debate and coordinating legislation with the Senate Democrats. Composition of the Steering and Policy Committee was specified to be representative of the party in the House with respect to seniority or the lack thereof, geographic distribution, conservative vs. liberal and so on.
4. The authority to appoint members to House committees was transferred from the Democrats on the Ways and Means Committee to the Steering and Policy Committee of the party in the House. This shifted the power of party discipline from the seniority-ridden committee structure to the broadly-based caucus committee of the party.

Somewhere in the reforms, all committee meetings, including conference committees, were made open to the public (interest groups), also reducing the capacity of the leadership to "persuade" members to their view. Any position or change of position is known instantly and with certainty. Republicans have continued to depend primarily on seniority in

selecting leadership, but the younger Republicans are also impatient with the older ways of Congress so power is slowly being diffused in the party in Congress.

Also, at the beginning of the 94th Congress in 1975, a new Congressional budget system was begun under the authority of the Budget and Impoundment Act of 1974. House and Senate budget committees were established along with a Congressional Budget Office (CBO) to do analysis. This legislation was a response to the Nixon administration's attempt to impound monies and otherwise (in Congress's view) to subvert the authority of Congress. It provides for the Congress to establish an overall budget limit by joint resolution no later than September 15 each year. The total budget is divided among fourteen functional categories. The appropriation subcommittees then must keep their expenditure authorities within those ceilings. This tends to shift the debate from "Do we spend or not spend?" to "What do we cut to make room for something else?" It forces a focus on trade-offs and priorities to the extent that it is made to work. It also tends to make Congress a greater advocate of legislative oversight and, therefore, somewhat more responsible. From 1976 through 1980, this system imposed only limited budget discipline. In 1981, however, the White House proposed substantial cuts in the budget. This created a high level of budget discipline by turning the Congressional budget process into a zero-sum game in which any additional dollar awarded to one program had to be taken away from another. Runaway deficits may force a return to this level of budget discipline.

By the start of the 95th Congress in 1977, more than half of the House had been elected since 1971. Today, more than 85 percent of Congress has been elected since then. This is the post-Vietnam generation with much less seniority, different values and less commitment to the past. This transformation constitutes an intergeneration transfer of power, much on the order of that which occurred immediately following World War II.

These reforms have had a substantial impact on the behavior of Congress. It has made Congress more democratic and representative and has greatly diffused the power of decision. There is, as a consequence, more conflict and failure to resolve issues. Therefore, decisions are more frequently made elsewhere--i.e., in the bureaucracy and the White House. Even when Congress makes a decision, it takes much longer and requires more political energy--i.e., the transaction costs have increased substantially. The chairmen, with few exceptions, tend to represent, not command or lead, committees. Chairmen no longer are able to "deliver" their committees for the leadership. The leadership no longer has much capacity to control either the agenda of

the Congress or the outcomes of decisions. Therefore, there is less capacity for trading with the president or other groups in the decision process. In other words, the reform sets Mills' conclusions in concrete.

Walter Lippman once said that Congress should represent the constituencies of the country's varied interests. However, because of the proliferation of special interests and the consolidation of their power today, the equilibrium of represented interests is unbalanced. The result is a government managed for special interests rather than the public interest. This is especially true now that Congress has dispersed its own power of decision and thus, except on rare occasions, has lost most of its ability to deal with concentrated special interests.

It is hard to accept the idea that there can be such a thing as too much democracy. However, Congress, in democratizing its rules, has dispersed its power of decision to such an extent that the increased transaction costs now prevent the Congress from being effective or efficient in making decisions. Indeed, Congress is frequently immobilized. One of the characteristics of this is that it will reverse an action after only a week or a month, when the configuration of interests surging through its halls happens to have a different chemistry. A long-term commitment from Congress is not a realistic possibility. Every battle that can be reopened is fought over again and again. Congress lives from day to day and is blown first in one direction and then in another by the single interests fighting over its terrain. Another effect of diffusion of power is to reduce party discipline in the Congress. Loyalty to the party (i.e., to party leadership) and the ability of the party to lead has been reduced nearly to zero within the Congress. A president used to be able to talk to the leadership or to the chairman of a particular committee about a specific piece of legislation and with some trading, get a commitment. This is no longer possible. Now the president and everyone else must trade with the better part of Congress to obtain a majority on any issue. This is more democratic, but it is terribly inefficient, often chaotic and generally ineffective.

Over the last fifteen years, conflict between the president and the Congress, plus the reform of Congress, have led to an explosion in Congressional staff. The dispersal of power led to pressures to provide more committee leadership roles for congressmen, so new committees were created which required additional staffing. This was reinforced by the post-Watergate effort of Congress to end its dependence on the executive branch for information and analysis. To do this, Congress had to create its own staff in all major policy areas. There has been a growth in staff to service

constituents. Total Congressional staff grew from about 6,000 in 1950 to around 40,000 by 1980. Slightly more than half of these employees are on Congressional staffs. The rest are employed in various Congressional organizations such as the Library of Congress, the Government Accounting Office, the Government Printing Office, the Office of Technology Assessment and the Congressional Budget Office. The budget reductions have forced a slight decline since 1980. While there are many able, experienced Congressional staff personnel, the new Congressional bureaucracy tends to be young and bright but inexperienced and often arrogant. Expansion of its staff makes Congress more independent of lobbies and of the executive branch for information. Combined with the diffusion of power, the advent of Congressional bureaucracy adds to transaction costs by slowing down decisions and increasing conflict between committee staffs within Congress as well as between Congress and the executive branch.

The Presidency

Richard Neustadt (1960) points out that in our form of government, power is exercised through "separated institutions with shared authority." The power of any authority that is shared is only "the power to persuade." Congress passes laws, but only the executive branch can administer them. Through oversight, the Congress attempts to persuade the executive branch to administer the laws the way the Congress wishes. The president may propose a budget or a law, but only Congress can make a law or appropriate money. When power is no more than persuasion, persuasion becomes bargaining between separated institutions. This factor characterizes not only the power of the president but the power of all of the constitutional actors in our political system. Thus, direct lines of force do not exist or only rarely exist. Public officials are insulated from their superiors by constituent (interest) groups and red tape. Bureaucratic ties to Congress are often close enough that bureaucrats can, with Congressional and interest group support, maintain an independence of the president's direction that is very frustrating to him (Truman 1951).

The other thing that has to be appreciated about the power of the president is that he never has sufficient information for all his decisions. The president must rely on the information and good judgment of others in order to govern. Thus, the problem of the president is one of maintaining his options and persuading people to do what they should in his view. This includes even the Cabinet.

The impact of the reform of party rules and the electoral process on the presidency has been substantial. Presidents

used to come to the White House only after years of political seasoning, including a substantial amount of Washington experience, and service to their party. Capturing the nomination required the support of a majority of the party's leadership. Thus, presidents arrived in the Executive Office with the support of some major part of the top political leadership of their party representing a broad coalition of political interests. Presidents carried into power the means of governing. Now, as a consequence of the changes in the nomination and election process, they usually arrive in Washington without the support of a majority of top party leaders, without a broad political coalition, and without any Washington experience, i.e., without the capacity to govern.

The largest part of this is the result of new electronic and communication technologies including television, modern polling techniques and computerized mailing systems, plus the reform of the electoral process. Changes in campaign financing and party rules have changed the game. The key to nomination today is the primary voter, not the party. In other words, the old pattern of working your way to the presidency through the party has disappeared. One now gets to the presidency by building a superb personal campaign organization. This requires millions and millions of dollars. A successful campaign organization must be filled with experts on polling, media management, issue development, voter strategies and fund raising. The candidate has to be free to campaign full time for a minimum of two years. This, of course, filters out many sitting politicians, especially the most experienced Washington politicians who hold current leadership roles. Thus, presidents increasingly arrive at the White House without Washington experience and bring with them personal staffs and political appointees who are great campaigners but who lack the skills for governing the nation. Presidents Carter and Reagan are clear examples of this expensive form of on-the-job training. Neither represented the mainstream of their parties. Both ran and were elected as the outsider, the antipolitician, the Washington amateur who would throw out the slimy politicians, control the bureaucrats, and get government off the people's back. Virtue triumphed over politics and villainy. It is what we as voters wanted, and it is what we got. In retrospect it looks less than wise. We seem to have forgotten what Montesquieu pointed out over two centuries ago in The Spirit of the Law (1748). Attacks on government, he said, ultimately erode the rule of law and without the rule of law the possibility of legitimate government disappears.

One of the first effects that can be seen in Washington is that now there is no collective learning curve, so new administrations are fated to stumble and fail with high

frequency. In the 1960s, two of every three political appointees and their staffs had prior Washington experience. Within a year, the newcomers had been educated and the administration had settled into a clear, fairly effective organization. In the Carter administration, both in the White House and in the Cabinet agencies, only about one out of three appointees and their staffs had any Washington experience. The same is basically true of the Reagan administration. With no learning curve, the Carter administration never fully settled into an effective, well-run operation. It left office still performing in an amateurish way.

The Reagan people appear to have learned a few things from the Carter failures but are themselves making gross errors in governance that only Washington amateurs would commit. Who knows where this is leading us? Clearly, it is not an ideal situation.

The Media

The media became a political actor in the last decade when the press, combined with television, began to affect political and policy outcomes. The media have taken over two of the most critical functions of the party, access to voters and the setting of national political and policy agendas. As rationalists, we tend to think that more information leads to better decisions, but the electronic media have characteristics that contribute to chaos by maximizing conflict while minimizing the capacity for decision or conflict resolution.

Television and to a lesser extent the print media have a number of impacts:

1. They over-simplify issues, and the facts never catch up with any distortions or erroneous statements.
2. The media live on and stress sensationalism and even advocacy in presenting public issues. This practice arises out of the financial need to maintain a maximum share of the audience in order to sustain advertising revenues. Especially in television, if you are dull you are dead. So everything gets sensationalized. The business of news is change; familiarity breeds boredom. It is more interesting and easier to build up a challenger than to put a fresh look on well-known candidates.
3. The media tend to personalize public issues. On television there is a villain behind every mistake and a hero behind every success.

4. They foster the belief in viewers that their interests are being neglected and that this is due to the evil design of some particular personality or set of personalities. This tendency flows from the first three.
5. For the same reasons, the media foster the cynical public belief that nothing is as it seems. The apparent explanation always hides some lurking evil or malicious intent. In the real world, most disasters arise not out of plots but from confusion, accidents, and from institutions that leave decision making to misinformed, incompetent people often subject to little or no accountability.

Thus the media, by its nature, fosters public cynicism and erodes the authority of all institutions it touches. Its corrosive impact has been compounded by the rise of investigative journalism as the highest ideal of responsibility in all media.

The media's capability for maximizing conflict while minimizing conflict resolution is exemplified by its impact on the Iranian hostage affair in 1980. Henry Langden, consul general in Iran at the time, has stated that "television made a media event of the hostage capture and prevented and/or made more difficult any negotiations since the U.S. and Iranian governments were kept out on the end of their limbs in such visible fashion." The New York Times columnist, James Reston, has written, "This emphasis on man rather than on problems and policies has been creating a new cult of personality maybe because it is so much easier and so much more interesting for reporters to write about individuals than about the issues." President Carter observed that if he tried to talk about the issues with any of the reporters traveling with him, few would bother even to listen. Thus, the media, especially television, turns campaigns away from their substance toward "media events" that personalize, sensationalize and trivialize the campaign (Bonafede 1980).

A scholarly student of the media, Michael Robinson (1977), concludes that television news is national news and that this has shifted the focus of the media towards Washington from state and local events. There is not only a new focus (and agenda-setting capability) but a new audience since television, primarily an entertainment media, has brought into national existence blue collar and other non-elite audiences. This has had a new impact, not only on advertising, but on the political process and on national opinion formation. Television, Robinson says, is more intense, selective and visual than print media. It is more personal and more sensational, in his judgment, and tends to romanticize the

past more than the other media. He also argues that television is inherently more anti-establishment in its effect, if only because of its wider audience and impact on non-elite viewers and because its audio and visual nature has a far stronger emotional impact.

In my judgment, television and electronic communications have accelerated many social and political trends that would otherwise have occurred much more slowly. It has shortened the acceptable response time for dealing with issues, and it has cluttered the public agenda with more issues than politicians can safely manage, while taking the little control politicians had over the agenda away from them. Television has also changed the dynamics of the interaction between the actors and thus actually affects policy outcomes. By controlling the agenda and access to voters, and by changing the nature and the speed of the interaction that occurs in the policy and political decision processes, the media, especially television, have become a direct and generally destabilizing participant in the political and policy-making process. Some believe they are nonaccountable and irresponsible--a loose cannon on the deck of every administration and every political campaign (Powell 1984).

The Party

The political party of the early and middle decades of this century no longer exists. Its primary functions are now executed by other institutions, leaving it with so little power that it is generally ineffective today. Keep in mind that the political party is absolutely necessary to effective governance in our political system. The founding fathers did not foresee its need and did not recognize it in the Constitution. However, parties were called into existence by an early lack of coherence and stability in order to hold the other institutions in place politically and make our federal system function properly (Hofstadter 1969).

Let us examine what has happened to the historical functions of American political parties.

Selection of candidates. Traditionally, in all democratic societies, candidates are selected by their parties. Presidential candidates have been chosen in a national party convention made up of delegates selected by state party caucuses or conventions. Today most of the national convention delegates are selected not by the party but by the voters in state primaries. In reforming the electoral process at the state level, primaries had been substituted for state conventions and party caucuses (in whole or in part)

in 35 states and territories by 1980. Even many remaining caucus states have changed their rules so that the caucus is nearly as open as a primary. Few any longer are simply gatherings of the party leaders, office holders and loyalists. The vast majority of national party convention delegates are determined in these primaries and near-primaries. If a candidate wins a majority of delegates in the primaries, the national convention is reduced to no more than a media event used to "hype" the presidential campaign and to a forum where losers can undermine the image and reality of party unity. In other words, national conventions have all but lost their original and fundamental political role.

Anyone campaigning to capture party nomination today competes for voter, rather than party, approval. This tends to turn the candidate selection process into a media-managed beauty contest, since voters do not have the incentive or ability to inform themselves as well about the ability, experience, political skill, integrity and other desired characteristics of candidates as a party leadership structure has. In no other democracy in the world do the voters select candidates to represent the party. This is so critical a deficiency and is so expensive that a number of states have already backed away from primaries and in 1984 there will be only 27 state and territorial primaries. However, a majority of delegates to either of the conventions can still be captured in the primaries and open caucuses before the convention starts. The Republicans never got as interested in reform, but the Democratic party, in its pursuit of self-destruction, imposed primaries in state after state (Polsby 1983). The Republicans could do little more than go along in instances where the Democrats controlled the state legislature.

Financing of campaigns. In the past, the party played a major role in financing campaigns, especially at the national level. Candidates have always had to scramble for money, but today, as a consequence of new technologies and the reforms, campaign financing is far more expensive and is dominated by the political action committees (PACs) of a myriad of interest groups, the public funds provided by federal and state governments and a candidate's computerized direct mail solicitation for money. While the parties are now struggling to get back into campaign financing, the candidates are less dependent today on the parties for financing than at any time in recent history.

Providing candidates access to the voters. In the past, before the transportation and communication revolutions, access to voters was a very difficult matter. Large rallies were often organized by the parties. In any case, a candidate's communications with voters depended on party organization

to a very substantial degree. Today candidate access to voters is dominated by the media, especially television. The party has lost this role almost entirely.

Providing voters access to the candidates. The reverse was also true in the past. The party simultaneously provided voters with access to the candidates. If you as a citizen wanted to obtain something through the political process, you usually dealt with the party. Local party leadership mediated between the voters and national level party representatives on national policy issues. Today voter access to candidates and to policy is dominated by single-interest lobbies. The most effective way even of communicating with your congressman and the most certain way of having an impact on an issue is to join the appropriate single-interest lobby. The reform of Congress and of party rules has diffused the power of decision in these institutions and provided broad access to all decision makers without the mediating influence of party functionaries.

In the old system, the only effective lobbies were large national groupings such as business, labor, agriculture, etc. These were not single interests but rather large coalitions of diverse interests organized around a broad functional aspect of the economy. Smaller single interests (e.g., save-the-whales, abortion, minority rights, environmental concerns) had difficulty even getting on the agenda of the Congress or the party unless majority public opinion caused party leadership to put it there. The enfranchisement of single-interest lobbies has fragmented the dynamics of policy decisions to the point that it is very difficult to achieve stable policy outcomes or outcomes that reflect the nation's larger interests. Members of Congress and executive branch leadership find themselves dealing with a swarm of warring tribes dedicated to a political form of total guerrilla war.

Establishing the national political agenda. In the past, the national political agenda was managed by the parties, especially the party in power. If a political party controlled the Congress, it also controlled the Congress's agenda; if it controlled the White House, then the president, as party leader, controlled the White House's agenda. The media had an impact but no control. Today that is not true. We have a new and highly influential actor, the media, that, in our instantly interactive electronic environment, each morning sets the agenda for the day. The impact in Washington of the major morning newspapers and evening television news is ludicrous. A substantial part of the energy of a cabinet officer's personal staff is devoted either to attempts to offset what has happened or to taking advantage of it. Another substantial amount of energy is devoted to creating or

staging "media events" so that the evening news and the morning headlines are a reflection of their own agendas. This is especially true of the White House where even greater effort is spent trying to manage the media, since the media now manage the agenda of the political process. The episodic, instantaneous and thirty-second nature of television news inevitably distorts, sensationalizes, trivializes and destabilizes the policy and political agenda. It is safe to say that today there is no long-run political agenda except as forces create such an agenda in a nearly random fashion. In economic and foreign policy, this circumstance has quite dangerous effects.

Discovering public opinion. In the past, the party organization, stretching from the grass roots to Washington, was necessary to discover what was happening to public opinion at the local level from state to state and region to region. National public opinion was some composite of grassroots opinion. Today, with the media providing instantaneous interaction between the events and opinion at every level, public opinion is increasingly volatile and transitory. In any case, the party is no longer the primary vehicle by which candidates or elected politicians discover what the public's opinion on anything is at any level. This is the domain of professional pollsters who for a goodly fee will tell you what is on any sector of the society's mind--along with a social and psychiatric interpretation.

Mediating for the major economic and social interests of society. The traditional parties of the past were broad coalitions of diverse interests. Parties performed the important societal function of mediating between the very diverse and conflicting interests that exist in society, thus holding society together. Somewhere this function must be performed if society is to have stability. Parties worked to find acceptable compromises between interests, when these were in conflict. Out of this mediation, the parties produced ruling coalitions and politically acceptable national policy outcomes. Mediation is inherent in national (or state and local) policy responsibilities. Conflicting interests are frequently unable to compromise differences by themselves. Third persons are often necessary to serve as authoritative and reasonably neutral mediators. The management of Congressional and executive branch decision processes force some responsibility for mediation on the representatives of any party in power. Interests are forced to deal with them. The difficulty today is that the reforms of Congress and of party rules leave individual committee chairmen and the party leadership with so little authority that they are often unable to deliver on the public policy end of the compromises they try to negotiate. This leaves mediation up to the single interests. If there were only a handful of such interests, perhaps they could successfully mediate their conflicts, at

least on some occasions. But there are thousands of such interests now, all of whom have legitimate access to the policy process. They conduct a continuing guerrilla war in which chaos reigns.

Mediation is necessary for government to function. Representative government has been constructed around this role. The alternative which the reforms have imposed on us is a move toward government by plebiscite. Plebicitary democracy operates like a national town hall, in which everyone votes on everything. For this to work well, each participant must have adequate knowledge, nearly equal power and a common sense of community. However, the facts are quite the contrary. Economic power is not equally distributed. Neither voters nor interest groups, not even politicians, have enough knowledge of other participants and of the substance of every complex issue to participate as equals and produce outcomes that are either intelligent or in the national interest. The national sense of community has been eroded by the greed and arrogance of interest groups and the insensitivity of public and private bureaucracies. "Me first" and "not in my back yard, you don't" dominate public behavior. All decision processes substitute power for compromise and consensus formation when the transaction costs become prohibitive. Indeed, government was created to exercise such power. Polling is no substitute for informed leadership with the power to act.

The other problem that occurs as a result of substituting plebicitary for representative democracy (thus doing away with mediation) is that you start at the top of the decision process. The decision structure becomes a flat plane, not a hierarchical structure. There is no appeal when mistakes and inconsistencies occur in decisions and there is a continuous jerking around of policy. It is this that has so destabilized and made so inconsistent many of our national domestic policy areas.

Thus, an effective party no longer exists. The party today is little more than a tattered banner which the candidates capture in the primaries. This is especially so in the case of the presidency (Ranney 1978). It is this decline of the role of the parties that is the key to understanding the dysfunctions in the policy process today (Polsby 1983; Shafer 1984; Wattenberg 1984).

Recognition of the problem is now leading to useful reactions in both parties, especially the Republican party. Leaders are now training campaigners and candidates and raising money. This is normally focused on districts and states where the party has the best chance of winning. The parties have begun to invest in mailing lists and the polling

and electronic communication capability necessary to wage political combat on a national stage dominated by the media and electronic communications.

Conclusion

Participatory democracy is a rejection not only of representative government, but ultimately of all government. It forgets that mediation is necessary in a pluralistic society and that some goals and values are mutually inconsistent. It also forgets that power is not equally distributed in any society. Coercion will not cease with the end of government coercion. It simply passes to those in the market and in society who are ever ready to fill any vacuum in the exercise of man's dominion over man.

Participatory democracy places all accountability on the electorate. In doing so, it relieves elected officials of their most fundamental responsibility. It not only undermines representative government, it also undermines accountability and therefore the possibility of responsible democratic rule. In early May 1861, Abraham Lincoln said, "I consider the central idea pervading this struggle" (the Civil War) "is the necessity that is upon us of proving that popular government is not an absurdity. We must settle this question now, whether in a free government the minority have the right to break up the government whenever they choose. If we fail, it will go far to prove the incapacity of the people to govern themselves" (Foote 1958). We face the broader question again, and in a form of which Lincoln never dreamed.

The disorder in our political and policy institutions has elicited a number of responses. Lloyd Cutler, a long-time Washington lawyer and special counsel to the president during the Carter administration; Douglas Dillon, secretary of the Treasury in the Kennedy administration and a Wall Street lawyer; William Fulbright, former senator from Arkansas and longtime chairman of the Foreign Relations Committee of the Senate, along with many others, have formed a group which recommends a constitutional amendment moving us toward parliamentary democracy. This would end the constitutional separation of executive from legislative branch. The party selects a leader who then runs on a common slate along with others nominated by the party. The leader of the party winning a majority of the Congress would become president. Individuals in this group support different versions that would vary in the degree to which they would reconstitute our institutions in a parliamentary form. They believe the disorder in government is due to the inability to get cooperation between the Congress and the executive, especially when Congress is dominated by one party and the executive by

another. That cannot happen in a parliamentary democracy. They seem not to recognize that parliamentary democracy assumes strong political parties, a feature which we lack in this country at the present time.

Within this group, there are some--Cutler, for example--who would change the term of the president from four to six years and limit the president to one term. The motivation is to prevent the silly and often dangerous distortions of national decision making that tend to occur when the president is running for reelection. This proposal strikes me as a bandaid over the wrong spot. Indeed, it would worsen the situation, since it would make every president an instant lame duck.

Theodore C. Sorensen, former special assistant and political advisor to President Kennedy, has written a book also concerned with the failure to get cooperation between the executive and legislative branches of government. His solution, however, is quite different. He proposes that in the next election each party's presidential candidate select a vice president from the other party, in effect making the executive a coalition of the two parties. He wants to do away with the partisan political bickering that disturbs the decision process. His solution seems quite naive. There is no way to remove the executive from party politics, even by such an expedient as this. In fact, coalitions of parties in our system represent a desperate effort, not a normal way of doing business.

Both of these notions are aimed at the wrong target. The real problem is the current weak state of the parties. When the parties are vital and have an effective role in the electoral and governing process, the system has worked reasonably well. One would never accuse it of high levels of efficiency, but the current situation is dangerous and invites disaster, especially for a nation with superpower responsibilities. There are undoubtedly many things that I do not understand that need to be done in addition, but the main challenge is to revitalize the parties. Some of the professional politicians understand this and are trying to move in that direction slowly. Under leadership of the Hunt Commission, the Democratic Party has already moved back from some of the reforms to force into the national convention a strong representation of the elected politicians of the party.

What needs to be done can be ascertained by looking at what has happened to the classical functions of the party. The dominant role of state primaries and open caucuses has all but removed the party from the process of selecting candidates. At the same time, it has turned what had been a year-long process into a two-or-more-year campaign that exhausts and destroys. To achieve sanity and reduce the

costs of campaigns, the campaign period should be limited to less than a year. We must return to a situation where the party leadership has a significant, if not dominant, role in selecting state and national party candidates. It is fine to have a few state primaries. We have long had that. But if we want responsible and effective parties, the party will have to have the dominant voice in the selection of its candidates. In some states, the law is such that crossover votes from the opposite party can determine primary outcomes. We cannot afford to have the vast majority of all of the delegates to national party conventions selected by voters in state primaries and open caucuses.

Financing of campaigns is now in the hands of political action committees, the rules allocating public dollars and the direct solicitation organizations set up by the candidate or other groups. Financing of campaigns has never been entirely controlled by the parties, but some significant portion of the financing of national campaigns should be put back into the hands of the party, if the party is to have any leverage. The party must develop computerized, direct mail solicitation if it is to compete successfully for financial contributions. Most of the public dollars probably should be allocated to the parties, not the candidates. All of the above should be done if any degree of party loyalty and discipline is to be revived.

The party must develop the expertise and electronic media capability to command and manage access to voters and to get its agenda and political message transmitted clearly. Candidates, once selected, should be backed by the party with a central, computerized information base to which the individual candidates could tie their own microcomputer information processing and analysis capability. Excellent software is already on the market. Some polling probably should be done centrally for all candidates for reasons of economy of campaign costs.

In the Congress, the power of decision has to be reconcentrated in some major degree if we expect that body ever again to manage its own decision process. This must happen if there is to be any potential for order in national policy decision making. How this is done should reflect present political realities. It cannot and should not be a return to the old system.

Impacts on Agriculture

Political instability has several effects on the decision process for agriculture, as well as other policy areas. The time horizon over which politicians plan and make decisions has never been long, usually no more than to the next election. Now it is even shorter. The time rate of discount in

politics has increased greatly. Getting political calculations and commitments for policies that are inherently long-run is extremely difficult. Implementing them with original intent is nearly impossible. Similarly, transaction costs are so high and party discipline so low that anything with substantial immediate net political costs is nearly impossible to get through Congress, even if the long-run benefits are substantial. Everything is weighted against innovation. Negative political power dominates positive power in decisions. I seriously doubt whether systematic attempts at fundamental change are possible for the 1985 agricultural legislation. The only force for such change now in prospect is a \$200 billion--approaching \$300 billion--deficit.

Specific internal executive and legislative branch decision processes are now less stable. For example, after a year or so, administrations in the 1950s and 1960s used to settle into clear patterns of participants and process for any specific type of repeated decision, e.g., annual commodity price support decisions or administration responses to Congressional bills in agriculture. Now the participants and the route will often vary with each decision and thus also the outcomes. This is partly a function of the larger number of participants in such decisions as well as the higher incidence of ideologues and inexperienced individuals in Washington, D.C. All introduce random elements. Another reason is the tendency for the upper levels of decision to be overloaded. Rising levels of conflict tend to push everything to higher levels for decision. Periodically, the White House and some cabinet office decision agendas approach gridlock, often with unfortunate results for policy.

At top levels of any policy process, the staff capacity for thoughtful consideration of highly complex technical matters is limited. An increasing volume of such decisions now reach the White House level. Since the process of decision and who participates is unstable, the risks of uninformed, costly, even catastrophic, technical decision errors is high. Examples range from the failure to appreciate the potential cost of the 1961 feed grain legislation to the self-induced White House delusion (reinforced by ill-informed CIA analysis) that the 1980 Russian grain embargo would be effective and involve modest costs. The 1985 Reagan budget is probably another example. We live in interesting and challenging times.

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