

Hacker, J. S., & Pierson, P. (2010). *Winner-take-all politics: How Washington made the rich richer--and turned its back on the middle class*. New York: Simon & Schuster.

Condensation by James Allison, February-March, 2016.

The authors are political science professors at Yale (Hacker) and U.C.-Berkeley (Pierson). Their book chronicles the thirty-year political war responsible for the enormous U.S. income inequality famously documented by economists Thomas Piketty and Immanuel Saez in their study of tax records.

Most of the gains of our economic growth since the 1970s have gone to the rich, especially the top reaches of the top 1% (what Robert Frank calls "Richistan"). In 1974 the top 1% owned a little over 9% of the nation's earned income. Now they own 23.5%. The previous high was 24%, in 1928. Between 1979 and 2006, after-tax income rose by 11% among the poorest fifth of our citizens; among our top 1%, it rose by 256%. This is a textbook example of trickle-up economics, where a rising tide floats all yachts but swamps many rowboats. Except among the very well off, household incomes have risen entirely because of increased family work hours. At the same time, social mobility in the U.S. has become stagnant in comparison with Sweden, Norway, Finland, Germany, Spain, France, and Canada. Why?

The usual suspect, deficient education, is actually innocent. The technical acronym, SBTC, stands for "skill-based technological change." The familiar mantra recites a massive shift toward more knowledge-based employment, thanks to globalization, computers and the Internet. In fact, massive inequality occurs even among U.S. citizens who heeded the "education pays" advice. And countries less educated than ours have less inequality than ours.

So, if SBTC didn't do it, what did? Enter the unusual suspect, American politics.

Of course the government denies culpability. For example, take Henry Paulson, Treasury Secretary under George W. Bush: Inequality, he said, ". . . is simply an economic reality and it is neither fair nor useful to blame any political party." And some doubters do ask how the government can possibly affect pre-tax earnings.

The authors offer three answers. First, the government has habitually done less than it might to reduce inequality by means of taxes and benefits at the top of the income ladder. Second, drift: Political leaders often do nothing to change obsolete rules designed originally to rein in excess at the top. Third, the government has enormous power to affect earnings before taxes and benefits take effect: laws governing unions; the minimum wage; regulations of corporate governance; and rules for financial markets, including rules for risk management in high-stakes economic ventures. And the devil is in the details.

It is useful to keep in mind exactly who is in that top 0.1%. Are they celebrity stars of sports, media, and the arts? No, the latter account for only 3.1% of those in the income stratosphere. How about executives, managers and supervisors (non-finance)? Ka-ching! 40.8%! And those in the financial profession, including financial managers? Ka-ching again! 18.4%! And what about the pay of

American CEOs relative to that of their workers? Only 24/1 in 1965, how did it soar to 300/1 in 2007?

The government has had its thumb on the scale for years, especially in the area of tax policy. Here are a few pertinent facts unearthed by Piketty and Saez about the decrease in tax rates between 1970 and 2004. Among the top 1%, the tax rate fell from 47% to 32%. The top 0.1% did even better; their rate fell from 65% to 35%. But the truly blessed were the top 0.01%, whose tax rate fell from 75% to 35%.

Yes, the federal tax code is still progressive; it does it tax higher-income people at a higher rate than lower-income people. However, it was formerly more steeply progressive at the very top levels. The change started in the 1970s, before Reagan's election, and involved bi-partisan cuts in income, estate, and corporate taxes that especially favored the super-wealthy--at a time when the electorate strongly supported making the rich pay more, not less. Politicians grown wary of the electorate found subtler ways to help the rich. One way was to slash funds for the enforcement of tax law, as a result of which tax audits of high-income taxpayers and businesses plummeted. Audits increased only among poor taxpayers who claimed Earned Income Tax Credit.

In addition, without passing any new laws, officials could simply leave in place loopholes through which the rich and their accountants could shovel lightly taxed cash. An example is the ability of private equity and hedge fund managers to treat much of their income as capital gains, taxed at a mere 15%. This provision was protected for years by a combination of fierce lobbying and the support of such Wall Street cheerleaders as Senator Schumer, Democrat, New York.

Income inequality in the U.S. has outpaced that in other countries largely because their governments have taken a more active role in opposing the disparities resulting from globalization, technological change, and other socioeconomic forces. The culprit again is "drift," the deliberate prolonged failure to adapt public policies to the shifting realities of a dynamic economy. A prime example is our failure to update the minimum wage to reflect the rising price of consumer goods. Such failures are the responsibility of political leaders who reject viable options because of pressure from powerful beneficiaries capable of political obstruction. The biggest barrier has grown in the last few decades from the expanded use of the Senate filibuster, where the arbitrary 60-vote cloture rule allows small partisan minorities to block with the greatest of ease measures favored by most Americans.

In another tilt toward the wealthy, the government weakened the unions. In 1978 unions sought labor law reform in a measure that passed the House and had a big majority in the Senate, but went down there in a bipartisan filibuster mobilized by employers. Thus, even before Reagan took office business had the upper hand. Reagan merely underlined that message when he broke the strike by air-traffic controllers and stacked the NLRB (National Labor Relations Board) in favor of management, thereby neutralizing the legal framework for the recognition of unions. NLRA violations soared unattended, strikes fell, and union membership declined--from 30% in 1960, down to 13% in 2000. During the same period union membership in Canada, with an economy much like ours, held steady at over 30%.

The difference was government policy. Given the kind of pressures described above, applied without pause for nearly 40 years, the steady decline of union power in the U.S. should come as no surprise.

Blank checks in the boardroom. The astronomical rise in CEO pay does not reflect meritorious performance. Over the past generation changes in American policy and legislative drift have given corporate managers indirect control over their own pay by means of short-term stock options, deferred compensation, guaranteed hours on corporate jets, chauffeurs, personal assistants, apartments, and consulting contracts (none reported as executive pay). In 2008, as Wal-Mart workers lost 18% on average of their 401(k) holdings, the CEO gained \$2.3 million on his \$47 million retirement plan. All of this happened as our political leaders strove to invent more ways to free U.S. executives to extract still more, or simply looked the other way. Where was organized labor? Too busy fighting for its life to push back. What was happening in Europe? There, strong unions were helping to hold the line against the very managerial power that our own Congress strove to encourage, usually in bi-partisan coalition.

In the words of Arthur Levitt, former head of the SEC: "During my seven and a half years in Washington . . . nothing astonished me more than witnessing the powerful special interest groups in full swing when they thought a proposed rule or a piece of legislation might hurt them, giving nary a thought to how the proposal might help the investing public. With laserlike precision, groups representing Wall Street firms, mutual fund companies, accounting firms, or corporate managers would quickly set about to defeat even minor threats. Individual investors, with no organized labor or trade association to represent their views in Washington, never knew what hit them."

Finance rules. Between 1975 and 2007 wages and salaries in the financial sector doubled their share of national earnings, partly because of exotic new financial products of bewildering complexity that increased the risk to the system as a whole to the advantage of insiders. In the words of Martin Wolf, of the *Financial Times*, "No industry has a comparable talent for privatizing gains and socializing losses." These changes did not result from natural law, but from financial operators re-writing the rules of the game. Canada, which resisted many of these re-writes, was largely spared the U.S. debacle. One example of many: In 1993 Wendy Gramm (Phil's wife), George Bush's Chair of the Commodity Futures Trading Commission (CFTC), granted a midnight order, just before she resigned, that allowed Enron to trade in self-designed derivatives free of supervision by CFTC. She soon received a seat on Enron's board. Approximately half of the expanding pay premium in the financial sector can be linked to the de-regulation wave.

History of democratic capitalism. Democracy and the market are always in tension with each other: Rich and poor are equal before the government, but not in the marketplace. When markets become destructive we naturally turn to politics to correct the imbalance, but marketeers strive to resist government and democratic intervention, and have the resources to do it. Without a firewall between markets and democracy, the most powerful marketeers may also have the most political power. Because the founders knew this, they had limited property qualifications for voters, and none for elected representatives. But in recent decades we have

veered toward oligarchic rule by the affluent, and away from rule by propertyless democratic majorities. How did this happen?

Theories of income distribution. Political scientists theorize that the decisive swing voter in a democracy--the median voter--has an income below the average. Because this swing voter decides the majority, politicians seeking that person's all-powerful vote will use government to raise that person's income. In that event, income inequality will decrease. So, why has income inequality actually increased? Because it is actually the wealthy who own the government, not the median voter, and have done for long periods of time. They owned it in the 19th century, when the U.S. Senate was chosen by state government instead of by popular vote. The Senate was then known as a millionaire's club, where one Senator represented the Union Pacific Railway System, another the New York Central, another the New York and New Jersey insurance interests, etc. There was a counter-reactive response by the Teddy Roosevelt Progressives, who zeroed in on the financial oligarchy--the banks--that dominated industry and the government.

A landmark product of that period was *Other People's Money* (1914), by Louis Brandeis, who challenged the notion that the structure of the market, and the distribution of its profits, were natural phenomena based on free choice and hard work, entirely separate from politics and government. Before Brandeis the Supreme Court had constitutionalized laissez faire in *Lochner v. New York* (1905), which held that the state could not regulate daily hours in the workplace. Adam Smith's *The Wealth of Nations* had said it in 1776: "Civil government, so far as it is instituted for the security of property, is in reality, instituted for the defense of the rich against the poor, or of those who have some property against those who have none at all." In the Progressive critique, property and markets rest on government and law, and must therefore be restrained and limited by government and law. Otherwise, swamped by tides of inequality, democracy would give way to the kind of oligarchy we see today.

Progressive Walter Lippmann, also writing in 1914, discerned a seesaw pattern of drift followed by mastery. The drift phase was enabled by a political system that made it hard to get things done, and easy to block them. The mastery phase involved radical reforms provoked by some drift-induced crisis. Years later Lippmann experienced the mother of all such crises, The Great Depression, induced by the mother of all drift, The Roaring Twenties.

The mother of all masteries, FDR's first hundred days (taken from David M. Kennedy's *Freedom From Fear*, Oxford, 1999). In 1933 FDR calls a special session of a Congress dominated by conservative Democrats, and in the famous first hundred days secures an emergency banking measure that saves the nation's banks; cuts the federal budget (not a good idea); increases federal revenue by re-legalizing beer and wine in anticipation of the repeal of Prohibition; secures a radical farm bill that seeks to increase farm prices and income by plowing up crops; takes us off the gold standard; initiates a Civilian Conservation Corps to employ millions of young men on forestry, flood control, and beautification projects; initiates a federal relief program to be administered by the states; establishes a public works program; initiates the Tennessee Valley Authority, a gargantuan project to bring jobs, industry and prosperity to a huge area stagnant since the Civil War;

adopts Glass-Steagall, which divides commercial from investment banking; and adopts federal insurance for bank deposits; and forms the National Recovery Administration (a flop, except that it results in the greatest wave of labor organization in U.S. history).

The third and final period of reformist renewal in the 20th century, of civil rights, Medicare and environmental protection--consolidated not by Johnson, but inertially by Nixon and Ford--ran from 1964 to 1977. And in 1977 and 1978--Carterland--reformers saw three major defeats: a defeat of genuine tax reform, of a proposal to tie the minimum wage to the average manufacturing wage, and a proposal to replace outdated labor laws. Instead, we had tax "reforms" that favored the wealthy, and calls for de-regulation. All of this resulted from government actions instigated by powerful organizations. Swing voters deserted reformers, citing the "Scarlett O'Hara defense": They supported reform of course, but this particular bill had too many problems, so they would think about it tomorrow--which never came. It was the rhetoric of political drift.

To understand the effect of the responsible organizations, we must appreciate the typical American's ignorance about politics. The biggest thing we don't know is just how unrepresentative our democracy is. Two Princeton political scientists, Larry Bartels and Martin Gilens, compared the agreement between voters and U.S. senators on key Senate votes in the 1980s and 1990s. There was strong agreement between senators and their constituents in the top third of the income distribution (if the rich were for it, so was the Senate), much weaker agreement with constituents in the middle third, and disagreement with those in the bottom third (if the poor were for it, the Senate was against it). Republicans were more responsive to wealthy constituents than Democrats were. Most policy changes that had majority constituent support did not become law, but had a much better chance if supported by those at the top. When median-income people strongly supported a policy change it had hardly any better chance of adoption than when they strongly opposed it.

Why this chasm between voters and policy makers? Partly because most voters pay attention during elections, but organized interest groups pay attention all the time. And our system makes it easy for the well informed to stop government action by concentrating their opposition at the right time and place: The ear of a crucial committee chair may suffice. For most political organizations the point is not to win elections, but to influence policy. Much of the treasure now spent on politics goes to support lobbying--sustained, intense efforts to influence Washington.

That is why the National Association of Manufacturers moved its headquarters from New York to Washington in the early 1970s. Members of the business community knew that future Supreme Court Justice Lewis Powell was right when he wrote in his 1971 memo that they were under attack by the likes of Ralph Nader, and that to defeat the progressive reforms then in ascendance they would have to form a durable organization ready to play the long game whatever the cost. In the words of Bryce Harlow, representing Procter & Gamble, "We had to prevent business from being rolled up and put in the trash can by that Congress."

Accordingly, the number of firms with registered lobbyists in Washington, only 175 in 1971, grew to almost 2,500 by 1982. Corporate PACs showed a similar

growth, as did the national Chamber of Commerce and all dimensions of corporate political activity. Business Roundtable was formed, composed of top corporate CEOs, Washington-savvy and ready to work with whatever party was in power. (Their companies accounted for nearly half of the economy.)

But business interests soon adopted a strategy that would actually change the political landscape: Democrats, to receive business largesse, had to do more than hold power; they had to use that power in ways that business liked. And there was no dearth of wealthy activists ready to pour money into the shaping of the new political landscape: Beer magnate Joseph Coors, industrialist John Olin, publisher Richard Scaife. Conservative think tanks were funded: American Enterprise Institute, Heritage Foundation.

The most consequential development was the demise of organized labor. Laws that supported union organization were eroded by the rise in capital mobility, which made it easier to use Taft-Hartley to shift businesses to right-to-work states. There was a big increase in charges of unfair labor practices, unlawful termination, backpay awards and the like, which employers saw as a cost of doing business, far preferable to unionization. Labor fought back with a bill to facilitate picketing, vetoed by President Ford but expected to pass easily under Carter. The bill went down to defeat in March, 1977, in a House vote of 217-205. Business had targeted freshman representatives who had actually received significant campaign funds from the AFL-CIO. And so it went, with filibusters led by such Senate conservatives as Orrin Hatch and Richard Lugar. Always in the background was an organized business coalition outspending labor, flooding Congress with mail and its halls with angry small-business owners from all over the country.

Douglas Fraser had seen enough. A leader of the United Auto Workers, he resigned from President Carter's Labor-Management Group. "I believe leaders of the business community, with few exceptions, have chosen to wage a one-sided class war . . . against working people . . . and even many in the middle class of our society." He saw that labor was on its own. If the unions could not win with Democratic control of Congress and Jimmy Carter in the White House, they could not win at all. Business would face no Washington backlash. And legislators in marginal districts would have to decide whether they were making the right friends.

Their decision became clear in 1978, when Carter scaled back a tax reform plan and the business lobby, sensing weakness, pushed through an amendment to cut the capital gains tax in half. Congress passed and Carter signed the mangled bill. The stage was set for Reagan, whose 1981 Economic Recovery and Tax Act, passed with the help of conservative Democrats eager to enable the feeding frenzy, provided more generous depreciation rules, expanded corporate tax loopholes, and cut the top income and estate tax rates. The race was on: Which party could shower more benefits on the wealthy?

As unions lost membership they grew less able to get people to the polls, mount get-out-the-vote drives, and produce education pamphlets and pro-union ads. There were fewer unionists talking to friends, family, and neighbors. Other old-line groups without much money to spend on politics were also losing ground: Elks, Masons, Eagles, and the American Legion--which had been so instrumental in pressing Congress to pass the GI Bill in 1944. New groups popped up, including

many "Astroturfs," faux grass root organizations with corporate agendas. For example, the Alliance for Worker Retirement Security, a front for the National Association of Manufacturers, actually aimed to privatize Social Security. There was a proliferation of special-interest groups embodied by little more than a central office, a list of donors, and a web site.

Without labor muscle, major legislative battles would have been lost: the 1950s struggle to expand Social Security, the passage of Medicare in 1965, the Civil Rights Act. While labor declined as a force for general social reform, business groups gained ground, as did less affluent voters borne toward the GOP on an evangelical tide. It would not be correct to identify Ronald Reagan as the architect of this shift. As a force determined to reverse a century of domestic policy, the GOP antedated Reagan and continues to develop to this day.

As Reagan's popularity waxed and waned, the GOP maintained a fairly steady political dominance by both out-spending and out-organizing the Democrats. Democratic politicians were essentially on their own, each needing to build an independent financial base. Likely contributors were the new affluent activists (e.g., the EMILY'S List PAC), and business. Business would give money to useful individual Democrats, mostly incumbents of the moderate-conservative variety, but considerably more money toward GOP party-building. Business contributions to Democrats were a pragmatic chore; to the GOP, a pleasant investment.

For Democrats the most important new arrival was the DLC (Democratic Leadership Council), formed in the wake of Mondale's disastrous run for president in 1984. It was initiated mostly by southerners in the conservative wing of the party: Dick Gebhardt (Missouri), Charles Robb (Virginia), Sam Nunn (Georgia), Lawton Chiles (Florida), John Breaux (Louisiana), Al Gore (Tennessee), Bruce Babbitt (Arizona), and later Bill Clinton and Joe Lieberman. They sought to diminish the weight of liberal activists and make the party more conservative economically and culturally.

The DNC would emerge in full form in 1992 with Clinton's "New Democrat" campaign, which softened the party's liberal message on guns, affirmative action and crime, and toughened up on national defense, deficit reduction, welfare reform, and "entitlements." Wealthy donors were lured by the promise of elite private retreats with DNC leaders and rising stars. The DNC was a strong, organized faction of Democrats pulling toward the positions of the other party. As the Republicans had nothing comparable, the result was a general rightward drift along the political spectrum.

An exemplary new Democrat was Senator Breaux. A former aide to a spectacularly corrupt Louisiana governor, when Breaux served in the House he sided with Republicans on critical budget votes in return for sugar subsidies helpful to Louisiana businesses (thanks to Breaux, Americans pay considerably more than the world market price for sugar). Breaux insisted that his vote could not be bought, only "rented." He repeatedly called for bipartisan compromises that undercut progressive measures (e.g., the Clinton health plan); favored business (e.g., the Medicare Prescription Drug Bill of 2003); made the rich richer (e.g., the Bush tax cuts of 2001). Republicans counted on him to help sink any significant initiatives

on behalf of the middle class.

Democrats behaved less and less like Democrats. President Carter, backed by the likes of Ted Kennedy, had encouraged deregulation of sheltered industries, such as trucking and airlines. From there the mixed economy of checks and balances gave way to a beguiling new mantra: Economic regulation was outmoded, and markets should be left to regulate themselves. Deregulation of savings and loans (SNLs) was co-sponsored by Democrats Chuck Schumer and Steny Hoyer. The subsequent SNL debacle, thoroughly bipartisan, cost taxpayers over \$125 billion; early attempts to head it off, which would have been cheaper, were blocked by Congress.

Congressional populism was moribund. Reagan drove several nails in its coffin with his union busting, his tax cuts for the wealthy and his trickle-down (some said "Voodoo") economics. But reality soon raised its ugly head in the form of economic recession, an alarming deficit, and growing unpopularity, and forced Reagan to pull back and compromise with Democratic House Speaker Tip O'Neill.

But even as Reagan faltered, a new version of economic conservatism was stirring on Capitol Hill.

In 1994 the South completes a 20-year shift from a Democratic to a Republican Congressional stronghold. President Clinton's health care plan goes down to defeat, thanks largely to the National Federation of Independent Business (with 600,000 members) in alliance with the Health Insurance Association of America. Tom DeLay, following the GOP victory in the midterm elections, initiates the K Street Project, which aims to encourage lobbying firms to follow GOP-friendly hiring practices.

In 1999 Congress, led by Phil Gramm, Chair of the Senate Banking Committee, repeals the Glass-Steagall Act, the New Deal law that separated investment and commercial banking.

In 2000 Gramm inserts the Commodities Futures Modernization Act in an essential budget bill; the act prohibits regulation of derivatives and thereby allows Wall Street to go wild in leverage and speculation. The platform of the Texas GOP calls for a return to the gold standard, the abolition of the Federal Reserve, the elimination of the minimum wage, the abolition of Social Security, the repeal of the federal income tax, and the elimination of the IRS.

In 2002 forty-four state legislatures are reportedly under moderate or strong control by Christian conservatives; in 1994 the number was thirty-one.

In 2003 Phil Gramm retires to a banking position at UBS, Switzerland's largest bank. His job is to lobby the U.S. Congress and Treasury. In 2008 UBS requires a massive financial bailout by the Swiss taxpayers.

RINOs beware. The GOP consummated its marriage to business by proving its devotion to favorable tax cuts as even more sacred than deficit reduction. The

last straw was President George H. W. Bush's betrayal of his "read my lips" campaign pledge of no new taxes. One result was an obsessive determination to purge the GOP of Bush and his ilk: RINOs, Republicans in Name Only.

The two groups at the head of the purge were Grover Norquist's Americans for Tax Reform (ATR), and Stephen Moore's Club for Growth (CFG). Its two leaders had been nurtured and tutored by the Reagan White House, the Heritage Foundation, the Cato Institute, and Dick Armey's Congressional staff. They were small but exceptionally well funded organizations that managed to drive Republican Senator Arlen Specter out of the party, frightened moderates with the threat of defeat in Republican primary elections, and put all Republicans on notice that tax cuts were the new Holy Grail.

Democratic politicians felt the heat. In 1993, following a Republican defeat, President Clinton dropped his campaign rhetoric about social investments and proposed a Bush-like combination of tax hikes and spending cuts that passed despite an unprecedented zero minority votes from the Republicans in both the House and the Senate. In the remaining years of the Clinton presidency the Congressional Republicans obtained tax cuts for the wealthy and demonized the Internal Revenue Service, even undermining its ability to collect the taxes legally owed.

But the big payoff came under President George W. Bush, when Republicans and their organized allies pulled numerous tricks of the tax-cut trade to the advantage of the very rich. They found ways to make cuts look smaller than they were. They crafted "temporary" cuts whose sunsets never came. There was a one-time \$300 rebate for the hoi poloi, accompanied by a letter from the president, that was bundled into a 10-year phase-in provision that gave a 51% cut to the top 1%. The alternative minimum tax, fashioned years before to prevent certain wealthy tax-payers from avoiding income tax altogether, was never pegged to inflation; it was "reformed" during the Bush administration in a way that subjected more middle-income taxpayers to the alternative minimum tax, and fewer wealthy taxpayers. Biggest of all, the 2003 bill favored wealthy taxpayers at a 10-year cost of over \$1 trillion. Vice President Cheney's assurance: "Reagan proved that deficits don't matter. We won the midterms. This is our due." Then there was the estate tax, which they eliminated for one year only--a pause that allowed the Walmart heirs and other mega-wealthy citizens to avoid billions in taxes.

Republicans also took special care of CEOs, a key stratum of the winner-take-all economy. Unions had ceased to be a serious threat, but trial lawyers were a juicy target as both a prime source of Democratic campaign funds and friends of shareholders seeking legal remedies against corporations. Congressional Republicans did their best to reduce fines for corporate violations and impede class-action lawsuits. Major scandals raised the prospect of corporate reform, and enabled Sarbanes-Oxley in 2002, but organized reaction by the business community emasculated the SEC and created a culture of lax oversight.

Over the course of the 1990s Democrats accommodated and finally embraced the winner-take-all economy. The numerous key players included Joe Lieberman, Diane Feinstein, Robert Rubin, and Bill and Hillary Clinton, but none played a bigger role than New York Senator Charles Schumer. Schumer's seat on

the Banking and Finance Committee made him a powerful magnet for Wall Street campaign contributions from the likes of Jamie Dimon (JP Morgan Chase), John Mack (Morgan Stanley), and Charles Prince (Citigroup). Schumer often paired with Phil Gramm in defending positions favorable to Wall Street, such as the tax loophole that gives Warren Buffett a lower tax rate than his secretary. And spending on D.C. lobbyists took off like a rocket.

President Clinton recognized that the progressive policies pushed by Candidate Clinton would be blocked in the Senate by his own party moderates. Accordingly, he ditched his social investment strategy in favor of Rubinomics: economic development by means of tight budgets with strict constraints on domestic spending. There would be no significant support for the middle class; government would become the manager of austerity. Reagan had run up the debt with unfunded defense spending, and left the Democrats to tidy up. The Democrats may have had the tax-and-spend reputation, but the Republicans were doing the spending, the Democrats the taxing.

The rest of the book brings us up to the early Obama years, but the details of that period were much the same as those already condensed. Washington still attracted a growing crowd of lobbyists, many of them revolving-door officials or staffers, who continued to work both sides of the political aisle as needed. Among the elected officials Republicans continued to present a more united front than Democrats, many of whom readily became Republican for a day when beckoned by convenience or expedience. Both Congress and the president often seemed to forsake the general public in favor of special minority interests.

Perhaps the signature example came when Democratic Senator Max Baucus--who later became a Washington lobbyist--refused to allow a key Senate Committee to consider the possibility of a single-payer universal health care program. Baucus insisted that the committee and its witnesses focus exclusively on mandatory private insurance coverage. Sitting in the audience was Margaret Flowers, a pediatrician. She rose to insist that the single-payer system overwhelmingly favored by the public be represented at the table. On Baucus' order, she was carried out of the public hearing room by Capitol police. Thus, a Senator from Montana, representing a tiny sliver of the American electorate, was **able** to quash the will of the people because he had sat in the Senate long enough to chair an important committee. He was **willing** to quash the will of the people as a grateful Senator indebted to big insurance and big pharma.

The Senate has a hefty tool box designed to favor minority rule. It is essential to understand one of the most important tools, the filibuster. This is a parliamentary procedure to extend debate on a proposed piece of legislation so as to allow one or more opponents to delay or prevent a vote on the proposal. It gets its name from the Spanish "filibuster," meaning "privateer, pirate, robber, or freebooter." It entered the English language in the 1850s in reference to military adventurers from the U.S. operating in Central America and the Spanish West Indies. Later it entered into legislative use in a Congressional speech about "filibustering" intervention in Cuba. Present Senate rules let one or more members speak as long as they want--"filibuster"--on any topic unless 3/5 of the Senators (usually 60/100) end debate by invoking "cloture" under Senate Rule 22.

Note that a rule change itself could be filibustered, and in such case 2/3 of those present and voting would be needed to break the filibuster. But a mere majority vote is sufficient to end debate on certain executive and judicial nominees (not including Supreme Court nominees), rather than the usual 3/5. Note too that it is no longer necessary to fill the delay with actual speech; one need only declare one's intention to filibuster.

The filibuster is a tool of the Senate. The House permitted its use until 1842, but has long operated under a permanent rule limiting the duration of debate. The House has grown so much larger than the Senate that it simply cannot afford the filibuster. But in the Senate it has flourished as a handy way to kill a bill not by voting against it, which might be risky, but merely by talking it to death. Its use has become much more common of late. In 1960 only about 8% of the major bills were filibustered; 50 years later, the figure was about 70%.

Did the founders mean it to be so hard for ordinary citizens to achieve representative government? Did the founders intend that government represent only a handful of special interests, well heeled or well connected? Whether they did or not, has the situation become intolerable to the great mass of us who cannot buy our personal representation or beard our "representatives" in the various seats of government? If so, what remedies might we have?

We came to this place by means of organized pressure on the effective levers of political power. We can change our location the same way. Government policy decisions got us here, and they can get us somewhere else. When the nation began, ordinary citizens had no choice but to send some representative to the distant seat of government and hope for the best. That is no longer true, although we mostly behave as if it were. In the present reality, communication technology allows us to keep in daily touch with our representatives, with the policy decisions they face, and the likely impact of those decisions upon ourselves. The same technology allows us to discern special interest pressures directed at our representative--pressures antithetical to our own interests, pressures we can counter by means of the ballot box, the personal phone call, the e-mail, the local media. But none of us can do this alone. We have to work in concert, like those whose organized pressure steered us to where we find ourselves now. In short, we have to get organized. And that is another story.