

“Fighting for the Soul of the GOP:” Buchanan's 2nd Wave Reactionaries Challenge Gingrich's 3rd Wave Conservatives

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First it was Gingrich, now it's Buchanan. We hate to belabor the point, but the country's right wing keeps making gains these days by stealing rhetorical thunder from the left. As Cy.Rev #2 noted, House Speaker Newt Gingrich launched the biggest attack on the state since the 1960's left. Now Pat Buchanan has emerged as an opposition force within the GOP, only he's aiming his populist invective at the corporate elite rather than government. Pat recently even had his fellow pundits on the Channel 11 News Hour asking, half seriously, "Has Wall Street replaced Communism as America's enemy?!"

This new turn puts President Clinton in a quandry, with Pat stealing blue-collar votes by attacking him from the left while Newt goes after the yuppies from the right. A lot of people keep hoping Clinton will pick-up the ball of old-fashioned New Deal liberalism and make a mad dash down the center. Instead the President wobbles, first telling us the economy, thanks to him, is doing just fine for most people, then warning us that it sucks for most people, especially the 40% who are scared for their jobs.

When it comes to social or redistributive programs, the Clinton White House has more in common with Herbert Hoover than Franklin Roosevelt. The limits of the debate in Washington have become so conservative that Clinton's best package of "liberal" reforms is considerably to the right of the Nixon-Moynihan domestic programs of the 1970s. When Clinton's left-leaning Labor Secretary Robert Reich, in response to Buchanan, made the meager suggestion that government give tax breaks to corporations who avoid layoffs, even that cautious idea was attacked as "socialist" on Nightline by corporate spokesman Albert Dunlap.

But no one seems to think the happy days are here again. Instead every major newspaper and magazine are running stories about the new insecurity, the gap in wealth, and greedy CEOs. These are nothing new to unskilled production workers, who have always expected layoffs and job insecurity. But the spreading of insecurity to skilled workers, professionals and managerial employees at the big money loaded corporations is a different matter. It reflects a shrinking political and economic base for what Newsweek calls "in-your-face capitalism."

Into this breach steps, Pat Buchanan, the new working class hero. By attacking NAFTA and Wall Street, Buchanan has split the conservative movement in two. Who ever heard of a Republican criticizing corporate America in this way! Even Gingrich quickly distanced himself, as did the whole wing of economic conservatives.

What is going on here? Is Buchanan really espousing left social democracy wrapped in right wing cultural values? Is he a nationalist and populist in the same way that Hitler's fascists were "national socialists?" Or what?

One fruitful approach to this question is to place the Gingrich-Buchanan split in the GOP in the context of the basic changes in the productive forces and the emergence of new ways of creating and accumulating wealth--the relative decline of second wave "smokestack" industries and the emergence of third wave, information-based industries. Simply put, Buchanan is a second wave reactionary trying

top circle the wagons around the old order, while Gingrich wants to stake out the conservative pole within the third wave society of the future.

The focus of their difference is globalization. Cybertechnology has allowed capitalism more freedom to employ anybody anywhere to make or sell anything--and to do it fast. The rapid decentralization of production and the octopus of world financial markets was made possible by the development of computers that can program a production robot in Indonesia from an office in New York.

Telecommunication systems now keep open a 24-hour on-line world speculative market which functions in real time. Today's digital technology allows a San Francisco bank to do its accounting in the Caymen Islands as if the department was down the hall from the CEO's office.

This new freedom has resulted in a tremendous surge of financial power. Outsourcing doesn't just mean giving autoworker's jobs to the non-union shop across town. Cheap labor can now be readily recruited anywhere in the world. The destruction of corporate liberalism's post-World War 2 social contract--well paying union jobs and work security in America's industrial heartland-- is the result of a many tiered technological revolution, at home and abroad.

Gingrich understands this process, cheers it on, and hopes to become the main spokesman for the infotech global finance capitalists and marketeers within this third wave economy. As production, markets, and finances all globalize, attacks on national government and its regulatory power is only natural. NAFTA is thus the practical symbol of this new world order.

Buchanan has mapped out an alternative course. He is a conservative who has decided to base his reactionary populism in the anger caused by these changes. He has thus become the defender of the diehard nationalists of the old second wave national economy. In his speeches, he explicitly refers to industrial jobs, textiles, and even our lost shoe factories. Buchanan blames immigrants from the third world as much as global corporations who move to the third world. It's no wonder silicon valley executives got upset when he called for a ban on all legal immigration for five years. For some of these corporations 40% of their labor force is composed of computer literate immigrants recruited from the global workforce. Buchanan not only targets the CEOs of the new elite, he also threatens their workforce and access to new sources of intellectual capital.

Insecurity in the labor force is not a temporary issue. The current economic recovery, our first real third wave boom, is called "jobless recovery" for just that reason. Production and profits are up, but downsizing is spreading and most new jobs are part-time or temporary. Two-thirds of all new jobs in the last quarter paid under \$20,000 a year.

The driving force behind stock prices and the new profitability is the ability of information technology to downsize the labor force. Just think of how much more work a secretary can do on a PC than a typewriter, and the speed in which she does it. If her output increases by 20% you can turn her into a part-timer with no loss of productivity, and with savings on wages, benefits, pensions, and vacations. There are similar examples at every level of corporate life. In fact, in 1992 capital investment in information technology outstripped investment in manufacturing by for the first time in history. The gap was \$25 billion, and is only growing wider.

Even much of the new investment in manufacturing is based on the application of information technology. At U.S. Steel in Chicago in the 1970s, it took five years to qualify as a machinist's apprentice-- and the worker still had to learn the complexity of blue print reading, metallurgy, and

trigonometry. It's a fairly interesting job and it takes considerable concentration to run even one machine well. But information technology came along in the form of numerical control machines. The machinist's knowledge was encoded on chips, those chips were put into the machines, and now the job was reduced to punching codes into a board for a few minutes at the start of your shift. The rest of the day was spent watching the machine work itself. Of course now rather than working one machine, a worker could punch up and watch several, meaning a general layoff for apprentices.

These changes are the competitive edge of the new world order. Both Gingrich and Clinton know it and embrace it; they just disagree on whether the government or the market should be responsible for moving people into the new economy. Buchanan, on the other hand, is against the new world order and the new economy underlying it.

How can the left and progressive movements respond to Buchanan? Unfortunately, when one subtracts the racism, the left sounds a lot like him. Like Buchanan, the left, for the most part, defends a national industrial policy program of the sort that confronts the third wave economy with second wave demands.

One would think with all this mistrust in government and anger against corporations the left should be growing by leaps and bounds. Much of what progressives say is right on target and has a good deal of support, simply as popular ideas. Economic fairness and racial equality are just as important as ever. It's not so much that the left has dropped the ball, it's the fact that we keep carrying the same one without realizing the game has changed. It's not what we're saying, as much as what we aren't.

Economics of Abundance

In its strategic thinking and proposals, the left needs to break away from an economics of scarcity and embrace an economics of abundance. For the first time in history the creation of wealth is being accomplished with little or no direct connection to wage labor. Intellectual design allows machines to work faster, more accurate, and more efficient than people. As the necessary time of labor falls, digitally driven production replaces wage related jobs.

Here's society's new dilemma: We may face a future of joblessness, yet at the same time we are developing the ability to create material abundance and social security for everyone. We should keep in mind that wage related jobs are a historic product of second wave industrialism. For the first 10,000 years of human civilization the vast majority of people didn't have "jobs" nor a paycheck. Everyone worked, people consumed the product of their labor, and bartered for items they didn't make. The idea that people needed to be employed by a boss for a specific number of hours, for a specific amount of pay is actually new to human history, and only saw widespread development with capitalism. Of course, we are not calling for a return to the medieval manor. Wage labor actually represents a step forward in history. We only want to emphasize that the new productive forces are pushing us to move beyond wage labor as the main means of securing the survival and reproduction of the labor force redistribution of wealth.

Third wave technology now makes possible the creation of wealth with less jobs and in less time. The political vision and economic program we need is one that grasps this change. We need to recognize all work, paid and unpaid, that adds value to society. Work for the community, the home, and self-improvement. The jobless future doesn't mean the end of work, but the recognition of all work.

National wealth should count all forms of productive labor, in and outside of the wage-structured market.

Since society revolves around the creation of wealth and its distribution, we need to ask how will that take place in a third wave economy? First of all, everyone needs to be supplied with a "universal toolbox", in effect the means, opportunities, and education to participate in the new economy. These need to be social guarantees in an economy where income and job insecurity are becoming part of most everyone's life.

One way to begin to achieve this is the redefinition of labor to value work at home, in the community, and the full recognition of women's labor. This may not lead to the wage\money nexus, but perhaps to vouchers for education, childcare, food, health care, and other basic needs. In effect, a social wage. We need to ask what type of work adds value to the national economy, and what type of work is of use. If coaching youth at the local park or environmental clean-ups are of use, then how do we reward and recognize their value?

Within the new job structures what are the different forms of political or social organizations needed to promote the demands of workers? Just as industrial relations created unions in the second wave, what new forms will conform to relations created in the third wave? Already we see strong political trends toward freedom of speech and information, and demands for universal access to the tools of information production. If information technology really leads to less hierarchy and less bureaucracy can these be inroads to socialist forms of labor and greater participation in the control of work? Will entrepreneurial openings for small business' on the internet lay a solid basis for the micro economy of market socialism?

Another idea already being addressed in Europe is the shorter workweek. In the face of technologically driven layoffs everyone should benefit from an increase in productivity. If you can create more wealth in less time, it should be reflected in your wages or hours. Socially controlled technology can create jobs, not destroy them.

The challenge is to develop a program and explanation, which aligns with the changing world. To do so our analysis needs to focus on the central force reshaping the world, the revolution in the means of production, and the resulting fundamental shifts in the relations of production. There is no shortage to the questions, yet the left's response is denial or to only see a developing distopia. Class struggle will still determine the contours of future history. Can the second wave left revolutionize itself, or like Pat Buchanan, lead the fight in the wrong direction defending the barricades of industrialism.