Even with the current economic upswing, unemployment and inflation throughout this year are going to keep feeding political rhetoric and doubts about the U.S. brand of industrial capitalism—and the chief source of intellectual sustenance for the politicians and doubters will continue to be the last decade’s emerging school of American economists. These radical academicians are not content with abstract mathematical models, and they distinguish themselves by not limiting economics to modern capitalism. They take a more eclectic and historical view, concentrating on the long-term development of different systems, from feudal economic ideology through mercantilism and capitalism to socialism.

The radical appellation sticks—despite professional credentials and academic appointments—because of their break with conventional economic biases about public ownership. The ne’er-do-well status is also the price they pay for acknowledging that political and economic institutions are entwined—inextricable in every sense. The radical economists talk and write without apology about the impact of political decisions on the economy and the impact of economic decisions on the polity, but their main concern is the relationship between concentrations of private capital and the political impotence of the majority of citizens.

Now, in the mid-1970’s, the radical economic factsheet on the U.S. political-economy no longer sparks outrage and argument. Little more than a ragtag reactionary band still disputes the radical claim that “public policies, whether formulated by conservatives or liberals, Republicans or Democrats, fairly consistently favor the large corporate interests at a substantial cost to many millions of workers, small farmers, small producers, consumers, taxpayers. . . .” Even Daniel Moynihan, former U.S. ambassador to the U.N., called 1975’s unemployment the “disease of capitalism.”

The radical analysis of American political-economic life has a compelling quality. Michael Parenti presents one variation disarmingly well in *Democracy for the Few*:

“Approximately 1.6% of the population own 80% of all stock, 100% of all state and municipal bonds, and 88.5% of corporate bonds. . . . Those who control the wealth of American society enjoy a persistent and pervasive political advantage. . . .

“It is not quite accurate to call the legislature ‘unrepresentative.’ In a way, Congress is precisely and faithfully representative of the power distributions of the wider society. . . . The top state and federal offices . . . have remained largely in the hands of . . . upper-income males of conventional political opinion, drawn from the top ranks of corporate management, from the prominent law and banking firms. . . .

“Quite simply, those who have interest in fundamental change have not the power, while those who have the power have not the interest. . . .

“The history of great ‘affluence’ in the United States since World War II . . . is a history of people becoming increasingly entrapped as wage earners, tenants and debtors in a high-production, high-consumption, high-profit system. . . .”

The radical economic view is taking hold. In July, 1975, the Hart Research Poll found that 33 percent of the public believe “our economic system has already reached its peak in terms of performance and is now on the decline . . . 57% of the public agree with the statement that both the Democratic and Republican parties are in favor of big business rather than the average worker . . . [and] 58% of the public believe that America’s major corporations tend to dominate and determine the actions of our public officials in Washington. . . .”
The radical economic perspective fits the reality experienced by the majority of Americans, despite its rejection by the popular media. There are disagreements, of course, and questions of emphasis and bias, but the essential underpinnings of the radical viewpoint—dealing openly with the systemic problems of modern industrial capitalism—have achieved broad acceptance in the last decade.

Radical trouble-shooting of the U.S. political economy centers on problems associated with private ownership of industrial capital. The remedial radical critique goes beyond expanding government power. It envisions large-scale public ownership as a legitimate and feasible alternative to private enterprise. The assumption is that the economy will do more good for more people if government is the majority capital stockholder.

Yet, citizens of every political shade choke on the fantasy that government ownership of productive enterprise would create a more viable link between our huge population and the decision-making elite that exercises power in all modern industrialized societies. The question is, would the American political-economy really be more responsive to the majority if the Federal government owned the means of production? Would they have a larger role in decision-making?

Regardless of who owns the country’s industrial capital, the middle and low-income majority cannot directly control the political economy. There must be a system of representation, and there is an inevitable breakdown when such systems grow to enormous size. We now have one representative in Congress for every 500,000 citizens. A new set of owners for the productive machinery is an improbable cure for trouble-ridden political representation. The prescription is also an unlikely antidote for cancer-like growths of concentrated economic power and for deep political alienation among masses of citizens in the mid-to-low income brackets. Government ownership is a weak prospect for empowering the immense public over the small elite—public or private—directing the political economy. Moreover—theory, speculation, and ideology aside—governments do not necessarily become more representative because they own the means of production. More likely is the emergence of a super-bureaucracy, isolated from all interest groups except the political parties. It excites the ambitious and frightens the forthright to imagine the party apparatus controlling an all-powerful government bureaucracy. Consider past partisan behavior in pursuit of public office.

More public ownership may be needed in areas of the economy traditionally considered the private preserve of corporate enterprise. Maybe the Federal government should take a larger role in the ownership and management of transportation systems, energy resources, and health care services. Yet, the issue framed by the radical economists is not who should own productive enterprise, but how to end the political-economic powerlessness of the majority. Shifting ownership of economic enterprise will not itself create a workable system of representation that vests authentic political power in the majority citizenry. This issue is left unanswered by the radical economists, and it is a distraction from the theme of public ownership.