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# Neo-Pluralism: A Class Analysis of Pluralism I and Pluralism II

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*This article is a critique of contemporary pluralist theory as found largely in the work of Robert A. Dahl and Charles E. Lindblom. Two different forms of pluralism are distinguished and compared critically with Marxist class analysis. Pluralism, it is argued, fails to account for the reality of political and economic inequality in the United States. As a theory, pluralism is also marked by increasing tension between the underlying values and the performance of American polyarchy. The overall result is that pluralism's utility as a description and explanation of the American political economy is called into serious doubt, and a case is made for the explanatory superiority of class analysis.*

To anyone interested in understanding political power in the United States, social scientists offer three main general theories: pluralism, the most widely accepted theory; pluralism's old antagonist, elitism, the next most widely accepted theory; and class or structural analysis, whose *locus classicus* is Karl Marx's *Capital*, which is generally not accepted at all.<sup>1</sup>

Pluralism, elitism, and class analysis have divided students of power for decades, but there is little doubt that pluralism is the dominant theory or paradigm of power among American social scientists. Although research regularly turns up evidence supporting the other two theories (Higley and Moore, 1981, p. 595), it is no empty boast for pluralists to claim a generally favorable response to their critique of elitism and class analysis (Polsby, 1980, p. 141).<sup>2</sup>

<sup>1</sup>In using the term structural analysis I do not want to get embroiled in contemporary controversies among Marxists over structuralism, instrumentalism, and the like. By structural analysis I mean to conjure nothing more than Marx's emphasis on the structure of classes stemming from the division of society into those who own and control the basic means of production, and those who do not. Marxism is a theory that puts class structure at the center of its analysis. Nothing more than this perspective is suggested here. I would like to thank the following people for comments on an earlier version of this article: Kennette Benedict, Sue Bessmer, Heinz Eulau, Ken Dolbeare, Nancy Hartsock, Henry Levin, Rick Olquin, Ben Page, and Don Share.

<sup>2</sup>Assessing the pluralist paradigm is complicated by the fact that the three theories of power are by no means neatly distinguished in the literature. In Polsby's hands, for example, pluralism rejects five central propositions of the "stratificationist literature" which embrace propositions from both elite and class analysis: the upper class rules local community life; political and civic leaders are subordinate to the upper class; a single "power elite" rules locally; this elite rules in its own interest; and social conflict takes place between the upper

In the past several years, however, political and economic developments in the United States have placed the pluralist paradigm under a good deal of strain. Even inside the pluralist school, serious doubts have arisen about the theory's ability to explain the American system. Strong doubts have arisen, too, about the relationship between pluralism and such central issues of democratic theory as equality, distributive justice, and peaceful social change. If Kuhn (1962, p. 52) is right that scientific understanding advances when old paradigms are supplanted by new theories that are thought to be better able to account for strategically important facts, it may be time to begin the search for a theory that is better than pluralism at explaining class and group power in the United States. So, at any rate, is the suggestion of this article.

At one time, pluralism was a reasonably coherent theory whose claims appeared to many political scientists to be solidly supported by empirical research. Pluralism—what we shall call pluralism I—asserts that the American power structure is made up of many competing elites, not just one. Different elites with low elite overlap

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and lower classes (Polsby, 1980, pp. 8-13). Additional complications are that much leading work on elite theory has been done not on local communities where pluralist research has often been concentrated, but on the national power structure. And although some elitists are fairly comfortable with class analysis (Domhoff, 1978, p. 140), such a leading figure as C. Wright Mills takes pains to reject it (Mills, 1959, p. 277).

Porous boundaries among the three theories, coupled with internal variations among those who may be identified with one of the three camps, make comparisons difficult (Nicholls, 1974). But if these theories are to be useful in understanding the realities of power, it seems necessary to identify some propositions on which pluralists tend to agree, and to critique these propositions from opposing perspectives.

operate in different issue areas. Political and economic power are by no means evenly distributed among the population, but inequality is “non-cumulative,” i.e., most people have some power resources, and no single asset (such as money) confers excessive power.

Pluralism I also sees the political system as reasonably open to multiple interests if these interests feel strongly enough about an issue to mobilize pressure. The power system is, to be sure, untidy, but the pulling and hauling of diverse groups promotes “polyarchy.” “Polyarchy” is Robert Dahl’s and Charles Lindblom’s term for systems run according to putative democratic rules of the game (Dahl & Lindblom, 1976, p. 277.)<sup>3</sup>

When, in 1967, Dahl published the first edition of his textbook, *Pluralist Democracy in the United States*, he identified multiple centers of power and limited popular sovereignty as the two basic axioms of American pluralism. He claimed, moreover, certain advantages for such a system: 1) power was tamed and coercion minimized; 2) the consent of all citizens was promoted (in the long run); and 3) the system fostered the peaceful settlement of conflicts to the mutual benefit of most if not all the contending parties (Dahl, 1967, p. 24). Pluralism was thus offered as a theory of power in America and as justification as well.

In addition to the above ideas, pluralists prided themselves on hard, realistic analyses of politics. Even though the basic theory tended to buttress the system, many pluralists were scrupulous in noting the system’s flaws and deficiencies. Indeed, the contradiction between the theory’s tendency to support the system and the system’s increasingly disturbing performance has generated questions about the paradigm. Pluralism may be partial to the system, but pluralists are not necessarily blind. Ironically, some of the most thoughtful pluralists are currently among the most severe critics of the workings of American polyarchy.

If, as Marxists and non-Marxists agree, it is important for system maintenance to have a coherent theory that explains and justifies the system, it is cause for reflection that in recent years the theory of pluralism appears no more healthy than the system itself. Beginning with Vietnam, the American political economy has frequently resembled anarchy more than polyarchy. Such debilitating developments as the war, Water-

gate, persistent inflation and unemployment, the forced retrenchment of the so-called welfare state, and the deepening of gross inequalities have moved such leading pluralists as Dahl and Lindblom so far to the “left” that scholars now talk of something called “neo” or “postpluralism.” That pluralism stands in need of revision causes no surprise. No theory as closely tied to the system as pluralism could be unaffected by that system’s performance. But it must be asked, how far “left” can pluralism go without exposing the need for a new, nonpluralist theory that may better fit the realities of political and economic power in the United States?

As measured by pluralism’s own values, not just Marx’s, the performance of the American political economy has been so poor that the theory of pluralism, in an effort to adapt, has been thrown into confusion. The two men who probably did more than anyone else in the past 30 years to modernize the theory of pluralism, Dahl and Lindblom, have been so disturbed by the system’s performance that they have issued radical-sounding calls for major structural reforms and redistribution of wealth and income, and have even questioned the capitalist system itself. The problem, from the theoretical point of view, is that these changes in pluralism—which are so extensive that one may now distinguish between pluralism I and pluralism II—clash with previously received wisdom about the nature and legitimacy of power in America. As a result, pluralism II now calls into serious question much of what generations of American political scientists have taught and believed is true about pluralist democracy in the United States.

In exploring these issues, I will focus mainly on the recent work of Dahl and Lindblom, beginning with their extended 1976 introduction to *Politics, Economics and Welfare*. The appearance of this joint essay marks a turning point in the history of contemporary pluralist thought. In this work, Dahl and Lindblom set forth in summary form a number of critical revisions in pluralism that recur throughout their subsequent work. Lindblom expanded on these ideas in his award-winning *Politics and Markets* (1977), and in his presidential address to the American Political Science Association (1982). Dahl’s major contributions include essays published in diverse sources during 1977-1979 and, most important, his book *Dilemmas of Pluralist Democracy* (1982). From these sources I construct and criticize the pluralist II theory of American polyarchy.

A second important caveat is that the following critique relies more on the class perspective than elitism. The pluralist-elitist debate has received so much attention (Bachrach & Baratz, 1963; Dahl, 1958; Walker, 1966; Wolfinger, 1974), and the

<sup>3</sup>From here on, polyarchy will not be placed in quotation marks, but this does not mean that I accept it as an accurate description of the American system. Polyarchy is a term that contains descriptive and evaluative meanings that are, at best, highly problematic when applied to American political economy.

issues now raised by Dahl and Lindblom so far transcend the normal confines of that debate, that it seems useful to concentrate on the somewhat broader and more fundamental concerns raised by class analysis (Lukes, 1974). Thus, no effort is made to divide the discussion equally between the two major alternatives to pluralism. In my view, class analysis subsumes most of what elitism has to say while avoiding many if not all of its "instrumentalist" pitfalls.

### Pluralism I and Pluralism II

The far-reaching importance of Dahl's and Lindblom's revised pluralism can only be grasped if pluralism and class analysis are seen in broad historical and theoretical perspective. Historically, pluralism and class analysis have disagreed profoundly not only over the meaning of class, but over its existence. A close reading of James Madison (or, for that matter, Marx) shows that there is no necessary contradiction between groups and class—in Federalist 10 Madison treats groups as subdivisions of the broad social division between those with and without property—but after the rise of socialism and class analysis in the nineteenth century, pluralism and class analysis were pitted against each other. John Dewey arrayed the theories against each other in philosophy, and Arthur Bentley, a close associate of Dewey's, did the same in political science.

Toward the end of his pioneering study of groups, Bentley (1908) took up the question of class and made it clear that group theory was intended as a critique of class theory. In Bentley's view, Marx's theory of class struggle was a crude form of group theory. The failure of the so-called proletariat to unite behind a common interest and seize power proved Marx wrong, in Bentley's view. Indeed, Bentley (1908, p. 467) says, "A proletariat class, such as Marx and Engels conceived it, simply did not exist." Economic groups were, he admitted, of fundamental importance. But he likened American society to a spherical mass through which passes an unlimited number of planes, each plane representing a different principle of group classification, such as race, religion, language, or ethnicity. The result is a great confusion of groups and a de facto denial of the existence of class. To quote Bentley (1908, p. 101) directly: "No one set of groups, that is, no set distinguished on the basis of any one plane, will be an adequate grouping of the whole mass." Bentley goes on to develop the argument that because American society is fragmented into groups, and because individuals are often members of many groups, group compromise, not class conflict, is the modal form of American politics (p. 102).

As is well known, later pluralists developed and

extended Bentley's analysis of the group basis of politics. Truman (1951, p. 107) used Bentley's idea of overlapping membership to explain the lack of class appeals to such groups as Catholics, and to challenge "the Marxist assumption that class interests are primary and the more common assumption that occupational group interests are always dominant." Many groups have what Truman calls a "class character," but he is far more impressed by the failure of political attitudes to run along class lines. In Truman's account—as in the more recent work of Dahl—class is reduced to one among several variables that explain politics. Indeed, the centrality of class to Marxist theory and its subordinate status in pluralist theory is, as I note in a later section, one of the long-standing and most fundamental differences between the two theories.

Some pluralists, such as David Riesman (1950), acknowledge that there have been periods in American history in which a ruling class existed, but most would probably agree with Riesman that since the days of the captains of industry, the class structure of America has become far more differentiated and complex. In place of the business ruling class there arose countless "veto groups," no one of which is dominant across society. Echoing these themes, Dahl (1971, p. 107) says of class:

This is not to argue that "class" differences are unimportant. It is to say that economic class is only one factor, often less important than others that can and quite evidently do yield distinct subcultures—ways of life, outlooks, norms, identification, loyalties, organizations, social structures.

Pluralism has traditionally downplayed class, but there is a related and equally important difference between pluralism and class analysis. These theories have historically been caught up in the battle between socialism and capitalism that has raged since the mid-nineteenth century. Social scientists, however much they may claim value-neutrality in their work, can hardly deny the political implications of a position that denies either the existence or importance of social classes. If classes in capitalist society are so fragmented that the concept of class is of doubtful analytical utility, then the Marxian analysis and critique of capitalism are seriously undermined. If, on the other hand, class is found to be of prime significance, the work of Marx, and the corresponding socialist critique of capitalism, take on added force. As a theory of how society works, pluralism may claim that all it does is report, not evaluate, the facts. In sharp contrast, class analysis openly deplores the facts it considers of paramount importance to understanding capitalist society. Whatever one's position on the possibility of value-free social research, however, there is no

doubt that until recently, pluralism, in sharp contrast with class analysis, rarely raised questions about the legitimacy of capitalism.

In light of the historical connection between pluralist theory and capitalism, and between class analysis and socialism, it is noteworthy indeed to encounter the kinds of ideas Dahl and Lindblom express in their 1976 (and later) work:

"In the realm of attitudes, ideas, and ideology, we Americans have an irrational commitment to private ownership and control of economic enterprises that prevents us from thinking clearly about economic arrangements" (p. xxvi).

"Private ownership and control is but one form among a vast variety of alternatives" (p. xxvii).

"For reasons we develop in the book, the problem of control must be considered as prior to the problem of ownership" (p. xxix).

"To democratize the American polyarchy further will require a redistribution of wealth and income" (p. xxxii).

"Because governments respond more to the better-off than to the worse-off, they help to sustain the cycles of political effectiveness and ineffectuality that in turn perpetuate the structures of inequalities" (p. xxxvi).

"Businessmen play a distinctive role in polyarchal politics that is qualitatively different from that of any interest group. It is also much more powerful than an interest-group role" (p. xxxvi).

"Yet common interpretations that depict the American or any other market-oriented system as a competition among interest groups are seriously in error for their failure to take account of the distinctive privileged position of businessmen in politics" (p. xxxvii).

"An evident feature of the consensus prevailing in all the polyarchies is that it endorses attitudes, values, institutions, and policies of more benefit to the already favored groups in the society than to the less favored" (p. xxxviii).

"In the United States more money, energy, and organizational strength is thrown into obstructing equality than into achieving it, more into constraining our liberties than into enlarging them, and more into maintaining the corporate domain as a private preserve than into making its public acts public" (p. xl).

"It follows from all we have said that we believe that major structural reforms are required in the American politico-economic system" (p. xli).

That these were not aberrant ideas is made abundantly clear in Dahl's and Lindblom's subsequent work. In *Politics and Markets* Lindblom (1977, pp. 168-169) deepened the analysis when he elevated business above other groups in a capitalist society and offered such provocative suggestions as the "mere possibility that business and

property dominate polyarchy opens up the paradoxical possibility that polyarchy is tied to the market system not because it is democratic but because it is not." Although he pronounced the radical model badly flawed, Lindblom (1982, p. 20) used the occasion of his APSA presidential address to critique the conventional pluralist model and invite new research along lines raised by Marx and other radical theorists. "The conclusion," he writes, "is not that the radical is superior, but only that mainstream political science ought to bring it in from the cold."

Dahl has also extended along similar lines the ideas he and Lindblom presented in 1976. Declaring independent organization as the sine qua non of polyarchal democracy, Dahl (1982, p. 40 ff) examines four harmful "defects" of pluralist systems: they may help stabilize injustices and inequalities, deform civic consciousness, distort the public agenda, and wrongfully appropriate public functions. Although Dahl's exploration of these defects is typically restrained, he takes a step that, in the historical context of pluralist theory, can only be described as transformative: *he breaks the connection between pluralism and capitalism*. Dahl openly confronts the issue of socialism vs. capitalism and pronounces socialism and pluralist democracy compatible. "If socialism by definition entails social ownership of economic enterprises," Dahl writes, "and unless by definition it must be centralized, then a socialist economy could be highly decentralized and therefore organizationally pluralistic" (1982, p. 112). Indeed, in what appear to be favorable references to such experiments in workers' ownership and control as Yugoslavia's, Dahl (1982, p. 114) goes as far as to suggest that a decentralized socialist order might generate even more organizational pluralism than capitalism, and thereby approach more closely the democratic, pluralist ideal. In a flat declaration he asserts: "The upshot of this discussion is this: The amount of organizational pluralism in a country does not appear to depend on whether enterprises are privately or socially owned."

To be sure, neither Dahl nor Lindblom is unmindful of the potential strains between socialism and pluralist democracy, but their mature theory seems to take pluralism far toward a reconciliation with Marxist class analysis. It may, therefore, come as something of a shock to realize that Dahl and Lindblom appear simultaneously to uphold most of the essential elements of pluralism I. Pluralism II now tries to hold in balance severe criticisms of the system's performance, the need for major structural reforms, support for redistribution of wealth and income, and more government ownership of private enterprise, at the same time that it supports social pluralism as necessary

for democracy, denies the special importance of class, reconfirms the inevitability and value of incremental change, and sees incrementalism as a way of achieving major structural reforms. The problem, from the theoretical point of view, is that pluralism II still defends many features of the system that perpetuate the social results it now deplors. Obviously, pluralism is not proved false merely because the system does not attain the goals held by Dahl and Lindblom. But there is no doubt that the system's failure to live up to their expectations has induced them to make major alterations in the theory.

Dahl and Lindblom decry the "incapacities" and even the "perversities" of American polyarchy because, even after years of opportunity, it failed to live up to their expectations of progress on economic and social equality. They charge that the politico-economic system "remains both sluggish and feckless in advancing on problems on which it has the advantage of decades of experience in policy making: poverty and maldistribution of income and wealth, racial inequality, health care, public education, inflation and unemployment, and industrial relations, for example" (Dahl & Lindblom, 1976, p. xxi).

But unless one assumes that capitalist polyarchy in time will advance equality to a significant extent, there is no reason for surprise (or lamentation) at its failure to do so. Class analysis and, to a lesser extent, elitism see the maintenance of inequality under capitalism not as a failure of polyarchy—not an incapacity or even a perversity—but as the whole point. Only liberal reformers lament polyarchy's failure to promote equality. Conservatives oppose most such efforts, whereas those on the left see government as part of a larger problem, the political economy of capitalism.

Herein may lie part of the key to understanding why pluralism II is not as radical a departure from pluralism I as it might at first appear. The critical quotes from Dahl and Lindblom, all of which express part of what they believe, are held in tandem with a logically incompatible set of ideas. Only out of complete context is pluralism II consistent with such radical ideas as major structural reform, redistribution of wealth and income, and substantive equality. Grave shortcomings of polyarchy are noted, to be sure. Once-sacred cows, including free enterprise, are seriously questioned. But pluralism still holds that the system's gaps and omissions and downright failures can be corrected without specifying how much structural change or redistribution of wealth and income are needed. The system needs major structural reform, to be sure, but, as we shall see, major structural reform does not mean basic alterations in class structure or class power. Despite an appeal by Dahl and Lindblom for "Marxist human-

ists" to join pluralists in a united front behind the integrity of autonomous groups, pluralism remains profoundly at odds with class analysis. Endorsement of such socialistic-sounding proposals as redistribution of wealth and income seems to close the gap, but this is illusory. A closer look indicates that the theories are, on balance, far apart on most essential questions. Pluralism and class analysis, it appears, cannot be logically integrated without great distortion in the substantive integrity of both theories.

To explore this theme it will be useful to examine first the issue of social vs. private ownership and control of property. Class analysis and pluralism are then shown to clash, as always, over the question of equality. Pluralist political theory and a capitalist economy, it is argued, are more consistent with social inequality than equality. When coupled with the contradiction between pluralism's attachment to incremental change and the call for major structural reforms, this contradiction exposes the incompatibilities that still divide the two theories. In the final analysis, I argue, Dahl and Lindblom try to resolve the contradictions of pluralist theory by supporting increased incremental changes in a system with essential structural inequalities—inequalities that they themselves increasingly realize.

### Capitalism vs. Socialism

Dahl and Lindblom's reconciliation of a socialist economy with pluralist democracy is rooted in their view of the limited nature of private property rights. As they see it, the economy should be thought of as a social or *public* economy. This shifts the primary justification of the economy from rights that inhere in private property to demonstrated economic performance in achieving social or public ends. From here it is but a hop to the view that private ownership and control is merely one form among a large variety of alternatives, and that this alternative has no defensible presumption that is qualitatively superior to public ownership and control. "Enterprises and markets are not justified by overriding personal rights to private ownership and control," they write. "If they are justified at all, it is only by their performance in achieving social ends" (1976, p. xxvii; see also Dahl, 1979b, p. 364; 1982, p. 111ff).

Although Lindblom raises serious doubts about capitalism throughout *Politics and Markets*, the more sustained critique is offered by Dahl in *Dilemmas of Pluralist Democracy*.

What is the process by which Dahl concludes that socialism is compatible with that form of democracy heretofore associated with capitalism? Modern democracy, no less an authority than

Schumpeter (1962, p. 297) asserts, "is a product of the capitalist process." How, then, can socialism, capitalism's old rival, be squared with liberal democracy?

Dahl is not unmindful of the close historical relationship between pluralist democracy and capitalism. Indeed, their relationship is presented as one of the few perfect relationships in social science history:

It is an arresting fact that even today in *every* country governed by polyarchy the means of production are for the most part owned "privately." Conversely, *no* country where the means of production are owned mainly by the state or (as under the Yugoslav constitution) by "society" is governed by polyarchy (1982, p. 108, italics his).

But is there a *necessary* relationship between pluralist democracy and capitalism?

Dahl's answer turns on the lack of a relationship between private ownership and control in an age of corporate capitalism. To sum up his argument: If, in the past, ownership meant control, this has changed. Large corporations are controlled by managers, not owners, and such corporations are inherently not private; they are social and political enterprises. They are social because they depend on joint actions that cannot be attributed to specific persons (and certainly not to stockholders), and they are political because they have great power over the lives of people. On the basis of this reasoning, Dahl (1982, p. 184) states:

No one disputes today that the government of a city or a state ought to be a public, not a private matter. One who supports democratic ideas would also hold that people who are compelled to obey public governments ought to control those governments: no taxation without representation. Should this reasoning not apply also to the government of a large economic enterprise? If not, why not?

Dahl generally tends to eschew unequivocal answers to such questions, but in this case he makes his view fairly clear. Privately owned corporations are, for him, social or public entities. Since they are not controlled by owners, the question of control theoretically precedes the question of ownership (1982, p. 112). There is nothing in the form of ownership, then, that confers control or precludes the essential condition of democracy, the maintenance of organizational pluralism. A high degree of organizational pluralism can exist in a system that treats giant firms as public enterprises and political systems (1982, p. 110). Thus the tie between capitalism and pluralist democracy is torn asunder.

But this is not all. Dahl does not rest content with making the case for the compatibility of

socialism and pluralist democracy. He asks what legitimates large, privately owned corporations, and he finds legitimacy lacking. Organizational pluralism and decentralization are essential in a democracy, but as he sees it, neither requires private ownership. Some would cite stockholder democracy as a legitimizing principle of private ownership, but Dahl rejects this because it flagrantly violates the principle of equal voting. Are privately owned corporations justified as an expression of free, voluntary individual exchanges? In classical theory, yes; in real world systems, no. If all these fail, what about the main legitimizing principle, the fundamental right to property? Does not the control of managers flow from the property rights of owners, thereby making management a private, not public, affair? Not only does Dahl reject this defense of privately owned corporate capitalism, he goes so far as to suggest that by this logic the workers have a better claim to ownership and control than capital. Referring to the fundamental rights of property argument, Dahl says:

Although this defense undoubtedly has great ideological strength, it is badly flawed theoretically. For the justification of private property as a natural, inalienable, or fundamental right provides scant justification for the existing ownership and control of large corporations. Insofar as a right to property is justified by the principle that one is entitled to use the products of one's own labor as one chooses, then surely the privileged position of stockholders is unjustified. On this principle, indeed, the employees would have an even more fundamental claim to own and control the firm for which they labor (1982, p. 201).

Dahl's emphasis on the *public* nature of corporations is crucial. In his view, the effects of corporations are so public, and the control of private owners so minimal compared to managers, that corporations should be thought of—defined as—public entities, not private. To some extent, of course, corporations have always been treated as public bodies. But Dahl goes beyond this level of argument to a more profound observation: private ownership ensures so little control over huge corporations that it is virtually a non sequitur. In fact, private owners have so little control that Dahl seems to have little use for them in his theory. What counts is power. Managers have it. Owners don't. Therefore corporations may be *defined* as public, regardless of ownership, and controlled as such by public authority.

It is not quite clear what becomes of owners in this scheme, but presumably they would exist as some sort of vestigial economic class: allowed to live and live well precisely because they no longer exercise undue amounts of real power. By making

operational control count for so much more than private ownership, Dahl virtually eliminates the contradiction between owners and nonowners that is the centerpiece of Marx's analysis of capitalism. Having displaced the central problem of ownership with the problem of maintaining decentralized organizational pluralism, Dahl (1982, p. 127) is in a position to conclude that, "It is fair to say that today most democratic socialists are pluralists, if not explicitly at least by implication." With this, the way is open for a rapprochement between pluralists and "Marxist humanists." The class struggle, as a barrier between pluralist and class analysis of political and economic power, is thus overcome.

From the perspective of class analysis, however, Dahl's treatment of capitalist political economy suffers a fatal defect: it fails to give classes their due. This is no small omission if your theory puts a profit-making class at the center of its analysis, sees profit-making as inextricably linked to ownership rights under capitalist social relations, and sees the essential driving force in capitalism—the pivot around which all else turns—as the production of profits. Just because most owners no longer directly run corporations does not mean they no longer control (on issues that count) those who do. Dahl's argument rests on the separation of ownership from control, but class analysis calls attention to return on owner equity as the all-pervasive bottom line of capitalism. As long as the system hinges on profit, capitalist owners cannot be cashiered because they do not rule corporations directly; to do so mistakes subtle, indirect power and control with their absence. If owners call the tune, they control the system even though they may not manage it. There is, of course, no doubt that the results of private enterprise are vastly important to the public. Economic enterprises, whether publicly or privately owned, are properly thought of as political systems. But it is a rather large leap from these observations to the view that the economy *is* a public economy whose performance is to be judged by social effects. By simply asserting the public character of the economy, pluralism II virtually redefines the private enterprise system into a public enterprise system. In a flash, large chunks of the American economy are "collectivized," by definition.

Capitalist owners and managers might well object to such treatment. A class approach to the study of capitalist political economy would never conclude that private ownership and control is but one among many alternative economic forms. Class analyses of capitalism begin with people who own private property and the means of production, who employ lesser owners and non-owners to manage and produce goods and services for profit, and whose power to do so is grounded

in government-enforced property rights. Private ownership and control in a capitalist system is *not* primarily a matter of social performance. It is primarily a matter of private profit. Capitalism is not impervious to social effects because the mass of the population is not without power. Capital and labor exist, after all, in a conflictual relationship in which capital, though by far the dominant power, is by no means omnipotent. Individual capitalists may be regulated and controlled or even expropriated if bad social effects generate enough danger to the overall system. But in general, private property rights and the profits that flow from them are not *a* form under capitalism; they are *essential* forms. Under capitalism the state does not exist to give effect to the rights of the public over private corporations. The state exists for the opposite purpose: to protect the rights of private property from unwanted intrusion by the nonowning public. This is what class analysis means when it asserts that the state is not merely a state in capitalist society, some sort of superstructure above the fray, but is rather a capitalist state. Dahl inverts these relationships and calls for rapprochement between pluralism and class analysis.

Class analysis has difficulty responding to the call because it sees the central political economic struggle under capitalism as the maintenance of private ownership and control and profit free from the public controls suggested by Dahl and Lindblom. This is seen, furthermore, in terms of class (not just group) struggle. Government is not free to intervene merely because a rational calculation might point to certain advantages of public control. The extent of such intervention is a hotly disputed matter. And as long as capitalism remains the dominant mode of production, the extent of public control is perforce limited. It is limited by, in the first instance, the power of capital, but it is also limited by the unexamined premises of a capitalist system, one of which is that government exists not as a foil to capital, but as guarantor. Class analysis thus challenges one of the fundamental presuppositions of pluralism: the impartiality of the state.

Such considerations are largely absent from pluralism's analysis of political economy. Rather than seeing private ownership and control as a structural feature of capitalism, pluralism tends to reduce such issues to matters of rational choice and public opinion. From a class perspective this runs the risk of trivializing the discussion.

For example, Dahl and Lindblom ask why the American economy has remained more private than they expected it would in the early 1950s. Their answer has nothing to do with basic structural features of the political economy. In what is for class analysis a form of blaming the victim, the



American people are said to have an "irrational commitment to private ownership and control." Contrary to Dahl's and Lindblom's expectations, the American people did not accept the "valid elements in socialist thought." Indeed, the American people are seen as being "addicted" to private ownership and control. Speaking of their 1953 prediction that valid elements in socialism would gain acceptance, they declare:

We were wrong. In particular, Americans seem to suffer almost as much today from a doctrinaire bias in favor of private ownership and control of economic enterprises as they did when we wrote. The fact that the dominant form of business enterprise in the United States is the privately owned and controlled corporation is not a product of even a moderately rational public calculation of relative advantages. In fact, no such public inquiry has taken place in the United States (Dahl & Lindblom, 1976, p. xxviii).

Characterizing their own approach to such questions as "non-doctrinaire" and "pragmatic," they assumed in 1953 that the comparative advantages of public ownership and control would lead to an increase in the public sector. But, again, they acknowledge they were wrong. Private enterprise "continues to give excessive weight to the particularistic interest of managers and investors in economic decisions of great importance to many others" (Dahl & Lindblom, 1976, p. xxix).

In follow-up studies, both Dahl and Lindblom extend their probing critique of capitalism (Dahl, 1982, ch. 6; Lindblom, 1977, ch. 14). Had they given less weight to public opinion, however, they might not have been so surprised that the American public stuck with capitalism. For one thing, no choice between socialism and capitalism was offered the American people by the two major parties, both of which are firmly committed to capitalism. But more basic doubts can be raised over the assertion that the problem of control must be considered to precede the problem of ownership. Under capitalism, it is just the reverse. The essence of ownership is control, and just because it is indirect does not make it any less controlling.

Class analysis cannot consider such basic questions as ownership and control apart from the realization that the private stakes and power of a class are at risk in conflicts over public vs. private property. Dahl and Lindblom are no doubt aware of the high stakes involved in such questions, but such matters are not central to their analysis. In light of the formidable barriers to public control, it may be a bit excessive to place most of the blame on the American people for the lack of public control. Where there are addicts, there are

pushers, and the power relationship between them must not be confused.

Absent a full appreciation for the structural relationships of capitalist political economy, pluralism II refers back to the American people and public opinion to explain why the system remains dominantly capitalist. Public opinion is thus treated as a major independent variable, and the thrust of the critique is directed at changing opinion through rational discourse, debate, and education.

A structural analysis recognizes that public opinion may have an effect under certain conditions, but, in the argot of political science, class analysts are inclined to view public opinion as a "dependent variable." Under a capitalist system there is no such thing as a free marketplace of ideas. Class analysis probes for the underlying causes of public opinion and locates them in the relationships among the classes and class fractions (groups) that constitute capitalist society. The liberal notion underlying public opinion, that ideas compete in a free marketplace and the best ideas win out, shifts the emphasis away from the structuralist insistence on the connection between interests and ideology. Objective interest and ideology may not coincide in all individuals, but in the social aggregate there is a strong tendency for ideology to be shaped in interaction with material life experience (praxis). When pluralists treat public opinion as an independent variable, they reify ideas and opinion. Under capitalism, class analysis insists, some ideas are more free and equal than others, and in any event, ideas have limited independent effect.

Class analysis sees capitalism as a political economy objectively rooted in unequal power based on the unequal private ownership and control of the necessary means of social production. Changes in capitalism must perforce raise questions of class conflict, not mere public opinion formation. By failing to take such considerations fully into account, Dahl and Lindblom have from the class perspective only weakly anchored their critical analysis of capitalism. As a necessary consequence, their call for reforms is likewise only loosely based, theoretically speaking.

### The Pluralist Theory of Equality

Historically, pluralism and class analysis have clashed head-on over the issue of equality. Both theories endorse equality and present themselves as ways of attaining it, but this is possible only because they have meant radically different things by the term. Pluralist democracy, furthermore, pits equality as a value against a second great democratic value, liberty, and tends to see the two

as trade-offs. In the nineteenth century, as Lindblom (1977, p. 163) notes, "Marx and the socialists became the spokesmen for equality, liberals the spokesmen for liberty." Since then, as he also notes, the value of equality has been subordinated to liberty in liberal democratic theory.

Marx and later socialists deny the contradiction between equality and liberty. True liberty is impossible without equality; to be truly free, individuals in society must be roughly equal in the means necessary to exercise freedom. Far from being opposed to liberty, equality is its necessary condition.

For Dahl (1982, p. 108) "Democracy is and has always been closely associated in practice with private ownership of the means of production." By democracy, of course, Dahl means liberal or bourgeois democracy, not democracy in the socialist sense. But the close connection between capitalism and liberal democracy raises the knotty issue of substantive equality vs. equality of opportunity. If the means of production are privately and unequally owned under capitalism, capitalism seems to be based on substantive economic inequality, from which flows, as Dahl admits, a certain level of political inequality. The only form of equality that is logically compatible with substantive inequality is equality of opportunity which, as Scharr (1967) and others have argued, is really the equal opportunity to become unequal. From Thomas Jefferson's defense of the natural aristocracy of talent, through social Darwinism's defense of the survival of the fittest, to present-day exaltations of individualism and competition, liberal democracy has consistently defended equal opportunity and the inequalities in the distribution of rewards that flow naturally from it. The question this raises is, of course: Can pluralist or liberal democracy be reconciled with class or socialist democracy if the two theories conflict so profoundly over the priority and meaning of equality?

The decisive shift of pluralism II is toward substantive equality and away from equal opportunity as the preferred democratic ideal. Having called for the redistribution of wealth and income, Dahl and Lindblom (1976) logically break the historical connection between capitalism and liberal democracy. They also partially correct pluralism's tendency to separate political and economic equality by noting that, "We cannot move closer to greater equality in access to political resources without greater equality in the distribution of, among other things, wealth and income" (p. xxxii). Dahl (1982, p. 117), writing separately a few years later, concludes that the "distribution of advantages and disadvantages is often arbitrary, capricious, unmerited, and unjust, and in virtually all advanced countries no longer toler-

able." It is so intolerable, in fact, that he has kind words to say for central government tax and transfer payments to reduce inequality, as long as individuals are free to spend as they choose.

There are, however, three major defects in pluralism's treatment of equality. First, pluralism has no clear criteria or standard for assessing what is just or unjust about the distribution of values in society. Second, pluralism treats public opinion as the explanation of inequality in the United States and as the vehicle for future egalitarian changes. Third, not all groups in the pluralist United States are equal, as pluralism grants in the privileged-position-of-business argument, but the special place of business has not yet been fully integrated into a theory rooted in multiple, independent, and autonomous groups as the necessary building blocks of pluralist democracy.

### Just and Unjust Distribution

Pluralism's discussion of equality is curiously indeterminate because pluralism lacks a clear principle or theory for assessing just and unjust distributions of wealth, income, and property. It lacks a theory of value. Consider the issue of political equality. Because political equality is obviously undermined to some degree by economic inequality, pluralism's call for redistribution makes good logical sense. But in the past, pluralism has not set equality of conditions as its goal. Without an underlying theory of value, it is impossible to assess clearly and logically why a particular distribution is just or unjust. "Inequalities in distribution are, of course, not inherently unjust" (Dahl & Lindblom, 1976, p. xxxi). In other words, inequality is not in principle bad; *ceteris paribus*, some inequality is in principle just. Inequality, then, is not a matter of principle but of pragmatics: the degree of inequality exceeds any principle of distributive justice Dahl and Lindblom find acceptable. They therefore deplore the gross level of inequality and call for (unspecified) egalitarian changes.

When Dahl and Lindblom endorse the redistribution of wealth and income, they endorse substantive equality, not mere equality of opportunity. When they endorse structural reforms, the suggestion is made that structural reforms should be made to promote substantive equality. But when they simultaneously argue that inequality is not unjust *per se* and do not confront the key issue of degrees of inequality, they cloud the case for equality. The flip side of the question of how much equality pluralism supports is how much inequality it is willing to tolerate. In Dahl's case the argument for redistribution and equality leads to a box canyon of an indefinite number of principles that might be used to allocate incomes, no

one of which is clearly or theoretically superior to the others (Dahl, 1982, pp. 135-137). Economics, to which Dahl turns for help, lacks a theory of value that can address just and unjust distributions (1982, p. 134). The marginal theory of value does not traffic in such philosophical issues and hence is of no help. Unless and until pluralism addresses the question of how much equality is just or unjust, the critical question of degree goes begging. Calls for more equality, however attractive they may sound politically, remain unsupported theoretically.

The obvious candidate for an egalitarian standard is Rawls's difference principle, which defends "inequalities of wealth and authority [as] just only if they result in compensating benefits for everyone, and in particular for the least advantaged members of society" (Rawls, 1971, pp. 14-15). Neither Dahl in *Dilemmas of Pluralist Democracy* (1982) nor Lindblom in *Politics and Markets* (1977) makes much of Rawls. At first glance, Rawls's principle would seem attractive to pluralists: it defends inequality as just as long as, somehow, everyone—most particularly the least advantaged—are made better off. Yet even if Rawls were integrated into pluralist theory, the fundamental dilemma of substantive equality would remain. Not only is Rawls's principle difficult to apply in specific areas; it does not address specifically the overall shape of a just social division (for discussion see Amdur, 1980).

A related problem with pluralism's treatment of equality is the theory's tendency, still, to separate political equality from economic equality, a separation which, for class analysis, makes little sense. Pluralism is quite clear that economic inequality frequently undermines political equality, but in Dahl's work, for all the apparent support for redistribution, the theory actually shies away from making an unequivocal endorsement. In his essay on liberal democracy, Dahl (1979a, pp. 65-66) rejects direct redistribution on grounds that it would require a major historical commitment to distributive justice, and such major changes are unlikely in the American system where intense minorities are powerful. These pragmatic objections, however valid, should not be allowed to mask the logical dilemma: if, as pluralism now grants, economic resources are often directly convertible into political resources, it seems to follow that political equality requires the redistribution of economic resources. Dahl, however, refuses to go this far. He prefers regulating the political effects of economic inequalities, a position that, at best, deals only indirectly with the problem. Regulating the political effects of economic inequality (e.g., by controlling campaign contributions) may promote equality indirectly, but it seems a major concession and a move away from pluralism II's

seeming acceptance of greater substantive equality as a social goal.

How does class analysis approach equality under capitalist social relations? Such questions raise a host of complex issues that cannot be discussed here, but the starting point of any comparison would have to be Marx's audacious claim in volume 3 of *Capital* that he had uncovered the innermost secret, the hidden basis of the entire social structure of capitalism, and with it the political form of the capitalist state. What was the key that could unlock so much knowledge? It was the relationship between capitalists and workers "in which unpaid surplus labour is pumped out of direct producers, [and which] determines the relationship of rulers and ruled, as it grows directly out of production itself and, in turn, reacts upon it as a determining element" (Marx, 1967, III, p. 791).

Marx was quick to recognize that although he saw the surplus-labor relationship as the key to understanding capitalism, the same economic base could give rise to infinite variation depending on innumerable different empirical circumstances, natural environment, and racial relations, among other determinants. But the important point for this discussion is that Marx's claim points up a key difference between pluralism and class analysis: class analysis proceeds from an explicit theory of value; pluralism does not.

Marx anchors *Capital* in a theory of value for a very good reason. Without a theory of value, he was at a loss to present a principled attack on capitalism. He might personally deplore inequality, but he needed a theory of value to establish socialism as *qualitatively* superior to capitalism. His answer was the labor theory of value and, for all the debate that has surrounded that theory of value, at least he had one.

For Marx, concentrating on equality of distribution was a superficial level of analysis. No amount of reform in distribution could alter the fundamental inequality of capitalism: those who own the means of production stand in an exploitative relationship to those who don't. This was objectionable to Marx not primarily because everyone in society should have exactly the same wealth or income. Marx felt that bourgeois theories of distribution obscured the central issue of social class that underlies distribution; in effect such theories negate the one thing all commodities have in common: their origin in human labor power (Meek, 1956, p. 229). However flawed Marx's labor theory may be, future comparisons of pluralism and class analysis await the former's attention to a theory of value that can address the question of just and unjust distribution. Until that theory is offered, the two theories cannot join clearly on the most fundamental question of

all: why, if everywhere men and women are born equal, are the many everywhere regularly chained in submission to the few?

### Public Opinion

A second problem with the pluralist treatment of equality is that, again, the problem is laid at the doorstep of the American people. Speaking of their call for a "fairer" share of income and wealth: "Until more Americans accept this view and act on it, the United States will not be the progressive society we wrongly assumed it to be at the time we wrote. Polyarchy may continue to exist at the present level, but democracy will still remain a long way off" (Dahl & Lindblom, 1976, p. xxxii). Both Dahl and Lindblom repeat these arguments in their post-1976 work.

There are dangers in conceptualizing the problem in terms of public opinion. One danger is that one of the best known surveys on equality in America shows that the mass of the American people has been more supportive of economic equality than the elites (McClosky, 1964, p. 369). But public opinion is notoriously volatile, and this is not the main point. Far more significant, from the class perspective, is the unreality of relying on public opinion to advance equality. These are matters that, under capitalism, are systematically excluded from the American political arena. It is hardly the American people's fault that wealth and income are highly concentrated. Nor will public opinion necessarily bring about more equality. In a capitalist setting economic equality is not even a virtue, let alone a matter to be decided by public debate. The realization of equality requires fundamental changes in the system that makes inequality a virtue, a system strengthened, perhaps inadvertently, by theories of distributive justice which, in the name of equality, justify its opposite.

### The Imperfect Balance of Group Power

If the level of equality is viewed as a structural feature of the political economy and not a matter of public opinion, what is the relationship between equality and another feature of the American system, the existence of groups? According to Dahl and Lindblom, social pluralism, defined as a diversity of autonomous social organizations, is a necessary condition of polyarchy. But pluralism sees two nagging flaws in polyarchy. First, not all groups are equal; not everyone organizes at the same rate, and power resources are not evenly distributed. Specifically, the better-off participate more. "As a consequence, government decisions reflect and reinforce a structure of inequalities"

(Dahl & Lindblom, 1976, p. xxxvi). This pluralism acknowledges.

A related inegalitarian feature of polyarchy is the privileged position of business. Business is not just another interest group. True, it plays a powerful interest-group role. But it also transcends such a limited role. As Dahl and Lindblom describe it, the American political economy is co-directed unequally by business and government, and in that order. Great public decisions are left to the market; government's job is to induce (not command) business to perform its functions. Pluralist theories that stress balance and countervailing power among interest groups, and fail to take into account the unique advantages enjoyed by business, are thereby impeached by Dahl and Lindblom.

Having thus arrived roughly at where Marx began, Dahl and Lindblom nevertheless continue to endorse the theory and practice of pluralism. Indeed, they even detect a lessening of antipathy toward pluralism among European "Marxist humanists" and suggest an emerging consensus on the need for autonomous groups as a bridge between the two opposing theoretical camps. As Dahl and Lindblom see it, the rigidly antipluralist Marxism of Stalin is on the way out, so the door is open to a reconciliation between pluralism and "Marxist humanism."

"But what about equality?" the skeptic may well ask. If even pluralists agree that business occupies a superior position in capitalism, if pluralists recognize that differential group power may act as an obstacle to democratization, and if pluralist politics tends to reflect and reinforce the advantages of the better-off, business-oriented groups may so impede equality that some centralizing, democratic, public force may be necessary to advance the egalitarian cause.

Dahl and Lindblom admit this possibility, but reject it. In fact, they offer no solution to the tension between unequal social pluralism and democratic equality, but they are clear about defending groups, and while rejecting one form of Marxism, they extend an olive branch to another. In their words, "Whatever the best solution to this problem (of equality) may be, for Americans, at least, it is not to be found, in our view, in destroying organizational autonomy and replacing autonomy with centralization, command, hierarchy, bureaucracy, and domination by an enlightened elite" (Dahl & Lindblom, 1976, p. xxxvi).

Portraying the alternative to social pluralism as "domination by an enlightened elite" may not exhaust the possibilities, but it is less important here to debate the point than to note that pluralism II is as ideologically committed to social pluralism as was pluralism I. Pluralism puts considerable emphasis on the social and economic inequalities that

undermine political equality. It now recognizes the unique position of one elite, business, in the American political economy. But, as E. E. Schattschneider put it years ago, the "flaw in the pluralist heaven is that the heavenly chorus sings with a strong upper-class accent" (Schattschneider, 1960, p. 35). One has to ask whether or not Dahl and Lindblom have faced up to the contradictions they increasingly perceive among social pluralism, equality, and polyarchy. Their faith in the superiority of social pluralism and polyarchy over currently available alternatives remains strong, but the special place accorded business has not yet been squared with a theory emphasizing a multiplicity of groups as a precondition of pluralist democracy.

The central question, of course, is *can* the privileged position of business be squared with pluralist democracy? Lindblom suggests it can't. Dahl's answer is less clear.

For Lindblom, the corporation is at risk in pluralist democracy because it is too powerful. Implicit in this view is the assumption that pluralist democracy requires some sort of balance of power among contending groups. After surveying the power of corporations, Lindblom concluded that on several counts they are disproportionately powerful. He thus concludes *Politics and Markets* with the comment: "The large private corporation fits oddly into democratic theory and vision. Indeed, it does not fit" (1977, p. 356).

Dahl is also troubled by the privileged position of business, but to date he has spent more time refuting the claim that pluralism contends that all groups are equal or substantially equal in power than in integrating the outstanding power of business into a pluralist framework. In his book, *Dilemmas of Pluralist Democracy*, Dahl critiques the rather "absurd" claim that pluralists work on the assumption that each and every interest is equally capable of defending itself (1982, p. 207). But if it is true that pluralism has always recognized that not all groups are equal, it is also true that pluralism seems to require the assumption of at least some rough equality among groups for a system to be a polyarchy. Unless power is decentralized among many groups, pluralism is falsified, and some form of elite theory or class analysis better fits the empirical facts. The balance may be imperfect, but it is hard to see how pluralism can dispense with the notion of some sort of balance, some sort of rough parity or countervailing power, without sliding over into elite or class explanations of power. So far pluralism has not specified the parameters or levels of power distribution necessary for a system to be judged a pluralist democracy. But if business is as privileged and as powerful as pluralism now says, vexing questions are raised about the demo-

cratic character of capitalist regimes. Class analysis, of course, asserts that the power of business in a capitalist system makes liberal democracy a contradiction in terms. On this point, as on so many others, the two theories stand so far apart that they are best seen as implacable opponents than as potential partners for a merger.

### Structural Reform

One area of agreement between pluralism II and class analysis is the dismal performance of the American political economy in the past few decades. Both theories support major "structural" changes. But on close inspection, they mean very different things by structural reform. In fact, pluralism's call for structural reform is so conditional and narrowly defined that the two theories remain fundamentally divided over this question.

"Structural reform" is, of course, an idea closely associated with social democratic critiques of capitalism. The basic idea is that transformational changes can be made in capitalism to reduce or eliminate such serious capitalist "perversities" as inequality. The endorsement of structural reform apparently brings pluralism and class analysis, capitalism and socialism, closer together.

But here Dahl and Lindblom take a step that radically alters their course and demonstrates the continuing split between the two theories. It occurs when they question a feature of polyarchy with which they are prominently associated: incrementalism.

Having observed that "the (U.S.) distribution of income and wealth . . . remains pretty much where it was at the time we wrote (1953)," they at another point declare that "in most decades and in most of the polyarchies, incremental change has worked its effects over the distribution of income and wealth, property rights, corporate structure, industrial relations, social security, resource use, energy conservation, and international negotiation" (Dahl & Lindblom, 1976, pp. xxxi, xxix). Not even the critics of incrementalism deny that incrementalism may aid rationally calculated change, Dahl and Lindblom say on behalf of incrementalism. "What has been achieved in redressing the wrongs of inequality, for example, should have been achieved many decades earlier and is still inadequate" (Dahl & Lindblom, 1976, p. xxxix).

Far from abandoning incrementalism, however, Dahl and Lindblom, in their joint work and in subsequent individual publications, argue pragmatically that to propose nonincremental changes in a society only capable of incremental change is virtually a waste of time (Dahl, 1982, pp. 120-126; Lindblom, 1977, ch. 19). No one

knows, they assert, how to design a political system regularly capable of more than incremental change. Societies do change. Reforms do occur. But the weight of experience convinces them that "incremental policymaking is an intelligent adaptation to features of society that make change difficult and slow rather than a cause of that difficulty and slowness" (Dahl & Lindblom, 1976, pp. xl-xli). More change will come about from accretion of small changes than advocacy of large changes. "What is required," they conclude, "is not the fruitless advocacy of non-incremental reforms (as distinguished from a highly strategic advocacy of it in rare appropriate circumstances), but social inventiveness to increase the frequency with which incremental alterations are made" (Dahl & Lindblom, 1976, p. xli). With the removal of some veto powers, they promise, incremental change will work its effects on various problems confronting American society.

From the reaffirmation of incrementalism, which by definition ensures at best slow changes in the status quo, one might expect Dahl and Lindblom to caution against major reforms, but they do not. They believe major structural reforms follow from their analysis: "It follows from all we have said that we believe that major structural reforms are required in the American political-economic system" (Dahl & Lindblom, 1976, p. xli).

It might be asked, however, that if incrementalism is a rational aid to change, if incrementalism assures progress (albeit slow) on social problems, and if in any event nonincremental change occurs so rarely, why the call for required structural reforms in the American politico-economic system? As defenders of incrementalism and incremental change, do Dahl and Lindblom mean by structural reform what most people mean? Does structural reform mean the replacement of capitalism by a dominantly socialist political economy? Or is structural reform another name for incremental change—souped-up incremental change, but nonetheless incremental?

The fact is that pluralism II's support for government ownership and control is softened by several caveats: the issue of control precedes the issue of ownership, so if other control mechanisms can be found, they may supersede government; government ownership is declared to be definitely not a sufficient means to public control; in many cases it is probably not even a necessary means; and in some cases it may be a hindrance. Immediately after the call for increased government ownership, almost as if one were bargaining with capitalists and had just issued a threat, the bold thrust is followed by a compromise offer:

"At the very least, there is a need to search for and to introduce new forms of economic enterprise. . . ." (Dahl & Lindblom, 1976, p. xxix).

I think it is fair to conclude that Dahl and Lindblom's endorsement of government ownership as a means of public control is, at most, limited.

More broadly, the case for major structural reforms concentrates on defects in the existing decision-making and policymaking institutions of society, *not* class structure. Perhaps most surprising of all, when Dahl and Lindblom face the question of how such reforms are to be brought about, they answer—by the institutions themselves. "For all our discontent with contemporary politico-economic institutions we are reduced to believing that it is through these very institutions that society can build better institutions" (Dahl & Lindblom, 1976, p. xlii).

Exactly how major structural reforms will emanate from the very institutions that are so defective as to need major reform is not discussed in great detail, but it is addressed. Dahl and Lindblom are aware that their position leaves them open to the charge that they suffer from a "residual naive optimism of liberalism." But social institutions, they reply, do change. Reforms do occur. And what is the best and most common method by which these necessary changes occur? Incrementalism.

Pluralism II resoundingly affirms incrementalism as the preferred method of achieving major structural reforms in polyarchy. How does pluralism II arrive at this conclusion? It detects in incrementalism a hitherto overlooked capacity to undermine the status quo. By increasing the pace of incremental change, small accretions, far from being ways of ensuring modest changes in the status quo, will transform the system. Incrementalism emerges as a clever way of "smuggling" social reform into society. In their words, "With its indirections, incremental change is a method of 'smuggling' social reform into society. If that fact were more widely understood, there would be more smugglers at work as well as some learning of the smuggler's skills" (Dahl & Lindblom, 1976, p. xlii).

It is certainly arguable how much structural reform can be smuggled into the American system through incremental methods, but further complications arise from a related contention. Although affirming the need for major structural reform, Dahl and Lindblom oppose any changes in the "general values" for which the American system stands. Changes in general values are neither necessary nor desirable. Structural reforms, then, are limited to those features of the system that inhibit changes in "proximate goals," not general values.

When Dahl and Lindblom discuss general

values, they seem to be referring to such abstract values as freedom, democracy, political equality, and majority rule. These values are sacrosanct (though not absolute). The biases of American institutions against changes in these values should be maintained. Faster incremental change is therefore restricted to "proximate goals." Here they endorse not only the removal of barriers against change, but their replacement by biases toward change. To give their views a full airing, a final quotation:

A bias against change in the aspirations or general values to be pursued in the system is worth preserving. But the bias against reformulation of proximate goals and against institutional and policy change to attain liberal and equalitarian values is obstructive. The bias needs to be removed. Indeed a contrary "irrational" bias *toward* change is required to offset the powerful forces that operate throughout society to obstruct these changes that approach, but all too slowly, the aspirations still to be prized (Dahl & Lindblom, 1976, pp. xliii-xliv, italics theirs).

Pitching the discussion of values at such a high level of abstraction reduces the conflict between class analysis and pluralism. Class analysts are at least as likely as pluralists to endorse such general values as democracy and freedom. At this level, the debate between the two theories reaches empty agreement. It is rhetoric.

The real conflict over general values takes place around what Lindblom, in his 1977 work, calls "grand issues," and which he says business normally keeps off the political agenda: the private enterprise system itself, a high degree of corporate autonomy, protection of the status quo on distribution of income and wealth, close consultation between business and government, restriction of union demands to those consistent with business profitability, among others (Lindblom, 1977, p. 205). Pluralism now seems willing to place such issues on the political agenda, and this is indeed a change. But, again, unless pluralism faces squarely how much change in the private enterprise system or in the distribution of wealth is necessary to achieve such values as freedom and equality, the basic questions go begging. In contrast, class theory asserts a *contradiction* between Lindblom's grand issues and the general values for which pluralism and class analysis both stand. The pluralist position is much less clear. Pluralism now admits some connection between grand issues and general values, but is fuzzy about the crucial question of whether or not there is a contradiction, and how much change in the grand issues (e.g., private enterprise) is needed to promote the grand values (e.g., political equality). Class or structural analysis insists that the grand values *cannot* be attained within the confines of

capitalism; pluralism either takes no such clear-cut stand or affirms the opposite. This crucial difference, when added to class theory's insistence on nonincremental changes in class structure, and pluralism's clear preference for incremental changes not in class structure but in social institutions, clarify crucial differences between the two theories.

Clearly pluralism and class analysis mean very different things by the term "structural reform." Marxist class theory and even social democratic theories use the term to apply to changes in capitalism and the class structure embedded in capitalist social relations. In sharp contrast, recent pluralist theory does not address the question of class structure in contemplating structural reform. Indeed, pluralism contends that structural reforms may emanate from the market system that structural analysis means to transform. In assessing pluralism's call for structural reform, therefore, it is crucial to note the singular interpretation given the term. When pluralists propose structural reforms they are not talking about egalitarian changes in the class structure of American capitalist society. They are not talking about "phasing out" the capitalist class through redistributive taxes, controls on inheritance, or a levelling of work hierarchies and rewards. Major structural reform for Dahl and Lindblom means changes in the existing decision-making institutions of society; moreover such changes are to be brought about slowly through incrementalism. It is hard to see how class analysis and pluralism can be brought closer together unless and until they agree that such "grand issues" as the private enterprise system itself, and the class structure that goes with it, should not only be placed on the political agenda but resolved in such a way that nonincremental progress is made toward true substantive equality.

#### A Note on Class vs. Group

"Furious controversies descend like swarming wasps on anyone who pokes the nest of class," Lindblom writes (1977, p. 222). But for all the apparently radical revisions of pluralism II, pluralism and class analysis remain fundamentally divided over the "nest" of class. For Dahl, social class is "not unimportant" in political conflict, but in most democratic countries it "is only an element, albeit a significant one, in a pattern of political conflict that is rarely polarized" (1982, p. 65). "We need to caution ourselves," Lindblom says, "against overestimating the effect of class in retarding a fuller democracy" (1977, p. 355). The reduction of class to just one among many factors influencing social life is still a major difference between class analysis and pluralism.

As we have seen, pluralism was developed by Bentley as an alternative to and critique of Marx's class analysis. From Bentley forward, a long line of pluralists have rejected Marx for exaggerating the importance of class (Nisbet, 1959), for failing to offer a clear and consistent definition of class (Aron, 1950), and for generally failing to appreciate the importance of cross-cutting cleavages in reducing class solidarity and class conflict (Dahl, 1982, pp. 61-65). Pluralism and class analysis remain split, therefore, over the basic unit of analysis for society. In pluralist theory, classes have merely a nominal existence compared to groups; in class analysis, groups are seen and analyzed as fractions or sub-parts of classes. Until some reconciliation of this conflict is offered, it is hard to see how class analysis and pluralism can be joined along the lines attempted by Dahl and Lindblom.

### Summary and Conclusion

Pluralism II updates pluralist theory in light of such incapacities and perversities as Vietnam, Watergate, and persistent economic and political inequality. Despite an opening to the left, however, pluralism II remains a theory that is logically more compatible with, and supportive of, a capitalist political economy than a socialist one.

Class analysis and pluralism are profoundly split over equality (Dahl, 1979b; Green, 1979). Pluralism now pays attention to the problem of economic and political inequality, but it falls short of endorsing full substantive equality as a social goal. As Bell has noted, the claim for equality of result is a socialist ethic, as equality of opportunity is the liberal ethic (Bell, 1972, p. 48). Marxian socialism points toward substantive equality because it is rooted in a theory of value that stresses the collective involvement of all members of society in producing social goods. Pluralism lacks a clear theory of value, but its historic attachment to equality of opportunity seems to ensure the acceptance of more social inequality than is tolerable in class theory. This seems true, moreover, even if pluralism accepts Rawls's theory of distributive justice as its own. It bears repeating that the difference principle defends inequalities as just as long as they make everyone better off; it is not a straightforward argument for substantive equality.

Pluralism I and II, then, despite the call (at least by Lindblom) for redistribution, seem more compatible with equality of opportunity than equality of results. Equal opportunity to compete in a race that necessarily results in a small number of win-

ners and a large number of losers is Orwellian newspeak. It defends inequality in the name of equality (Scharf, 1967, p. 234), and helps induce mass acquiescence in the perpetuation of an unequal social order. To the extent that pluralism does the same, it belies the espousal of substantive equality through the redistribution of wealth and income.

In the structural view, inequality under capitalism is not a by-product of the system that is amenable to polyarchal corrections. It is a structural imperative. It is one of the things that makes capitalism capitalism and distinguishes it from socialism. From the class perspective, inequality is as likely to be significantly reduced or eliminated under capitalism as the meek are to inherit the earth. The fundamental reason this is so is the essential, structural relationship between capital and labor in a capitalist society: they are, by definition, unequal. Perhaps Marx, who drew attention to this relationship with acid humor, should be allowed to speak here. He describes the root inequality, after the establishment of capitalism, this way:

He, who before, was the money-owner, now strides in front as capitalist; the possessor of labour-power follows as his labourer. The one with an air of importance, smirking, intent on business; the other, timid and holding back, like one who is bringing his own hide to market and has nothing to expect but—a hiding (Marx, 1967, I, p. 176).

It might be judged excessive to contend that pluralism is in danger of imploding from internal contradictions, but in light of the difficulties raised above, it might not be excessive to suggest that pluralist theory is in need of some clarification.

A class or structural analysis of American political economy seems more consistent with the fact of gross inequality in wealth, income, and power under capitalism. Capitalism makes a fetish of commodities, not equality. Indeed, it presumes unequal natural talents and abilities and rewards, and justifies them under the theory of equal opportunity. Pluralist theories would be more consistent if they dropped the untenable adherence to substantive equality and faced up to the reality of inequality in the system of which the theory of pluralism is an integral part. Class analysis not only conforms better to many of the empirical realities of American political economy, which saves it from wounded surprise over the system's performance, but it clearly and consistently adheres to egalitarian standards that flow from its analysis of the class structure of capitalism. If American social science means to explain better, let alone help change the American political economy, the pluralist-elitist debate might well



be redirected in favor of explorations in class analysis.

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