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Why Do Americans Think That Way?

Isn't it an interesting puzzle? Why do Americans think about the proper role of government differently than citizens of other countries do? The answer to that question turns out to be quite complicated. There are several theories abroad in the scholarly writing on the subject. In this chapter I present some of those theories, attempt to assess the plausibility of each, and tie them together into as coherent an explanation as I can. As I understand the existing literature, there is no single theory to which most writers on the subject subscribe. But I will try to synthesize various concepts into a theory of "path dependence" according to which early events in American history started the country down the path of limited government, subsequent events reinforced that direction, and the distinctive pattern lasted to the present.

As was evident in the last chapter, many scholars believe that political culture is not a very satisfying explanation for the differences among countries. One reason for their skepticism is that "culture" is often a kind of residual category, what a comparativist trots out to explain differences among countries when all else fails. As such, culture has a sort of elastic quality; it's a concept that can be stretched too far. If culture can be extended like that to explain everything, then it ends up explaining nothing.

That skepticism about culture as an explanation for differences among countries might be justified if the matter rested, in effect, with the statement, "Culture did it." But we can enhance the explanatory power of cultural or idea-based explanations if we are able to pinpoint the origins of the ideas. While the observation, "Americans are as they are because they are as they are" doesn't make for a very satisfactory theory, we can make more progress by exploring *why* Americans think as they do and value the things they value. Exploring those origins of American ideology is what this chapter is about.

This chapter falls into five major categories of explanation: migration, diversity and localism, economic and social structure, opportunity, and isolation from other countries. We'll proceed through each of them in turn

and then tie them together. The theory of path dependence, which does the work of integrating these various explanations, will be presented in the conclusion of this chapter.

MIGRATION

Let us begin at the beginning, with the types of people who came to America and their descendants. The central proposition about migration is quite straightforward: American values are connected to the kinds of people who came here. But the key point is that many of the people who traveled to these shores were systematically and fundamentally different from those who stayed behind in the old countries. They therefore brought ideas about government and politics with them that were systematically different from the ideas of the people who remained. Those ideas in turn affected, and still affect, American institutions and public policies.

Why did people come to America? In simple terms, there are four categories of people in the American population, each composed of immigrants and their descendants. The four are as follows:

1. Some people moved to America to escape unacceptable religious or political status back in their homelands. Such status ranged from being deprived of privileges because of religious beliefs to suffering various penalties to actual persecution. Included in this category are early religious groups like the Pilgrims and Puritans. Lipset (1979:Ch.4) argues that the prevalence of these sorts of immigrants in the early days meant that America came to be dominated by Protestant sects (e.g. Methodists, Baptists) as opposed to adherents of established churches like the Church of England or the Roman Catholic Church. Members of those Protestant sects brought with them a distinctive moral code and a view of religious and political authority that was very different from the orientations of people in established churches who tended to stay behind in the old countries. These Protestants were distinctively suspicious of authority and hierarchy, given their experience, their faith, and their opposition to traditional religious and civil authority. We'll trace the results of those differences in a moment.

2. Some people migrated to America for economic reasons. But there were two kinds of economically motivated immigrants. The first kind were down and out in the old country and came to America to escape poverty or even threatened starvation. The second kind may not have been in desperate economic situations in the old country. But they perceived America to be the land of opportunity, particularly economic opportunity, and came to America to become better off than they were. In both cases, a few hardy souls immigrated first. They then sent back word to relatives and friends that there was land or other economic opportunity. Those people came to join them, sometimes in a rush of immigration and at other times in smaller numbers over a longer period of time. So there might be a small

rural community of Norwegians in Minnesota or Wisconsin, for instance, all of whom came from the same small part of Norway, sometimes from the same valley. They settled in close proximity, and several generations did the same before the community started to disperse.

3. The third category of immigrants came to America against their will. The most noticeable among this population were blacks, brought to America as slaves, and their descendants. The legacy of this kind of "immigration" has been profound throughout American history, and lasts to the present day. The founders compromised over counting slaves; the Civil War was fought partly over slavery; the civil rights movement of the 1950s and 1960s affected us fundamentally; and Americans still grapple with issues like affirmative action, racial prejudice, housing segregation, and employment discrimination.

4. Some people were here before the first Vikings visited these shores and before Columbus landed. American Indians crossed the Bering Strait centuries earlier. Their descendants made up many nations, some of them settled largely in one place and some of them nomadic, scattered across the whole of North America.

Over the course of American history, the first two categories came to dominate American politics. Indians were conquered, many of them brutally exterminated and many of the remainder herded into reservations. To the extent that Indians emphasized community values, the dominant culture and politics might have been more community-oriented and less individualistic if more of them had survived. But as history unfolded, they were in fact nearly eliminated.

Those who came to these shores against their will, of course, did not dominate the political landscape either. Blacks were kept in slavery until the Civil War, and have been kept subordinate since. In terms of both numbers and political power, they too were relegated to a distinct minority status. Issues of race, of course, have remained profoundly troubling and divisive to the present day. Despite the importance of these issues, however, and acknowledging the important contributions of blacks and Indians to American society, economics, and politics, it would still be hard to argue that they came to dominate the country.

The people who did come to dominate American society, economics, and politics were those in the first two categories, those who came to escape unacceptable religious or political status in their old countries and those who came for economic reasons. Let's discuss them in order.

The first category, those who came to escape religious or political conditions that they found unacceptable and wished to practice their religion as they saw fit free of interference, understandably brought with them a profound aversion to governmental and religious authority. Methodists in England, for instance, left for America because they found unacceptable and even abhorrent the power of the established Church of England, the taxes they were required to pay for its maintenance, and the close alliance

between religious and governmental authority. Little wonder that such people would believe in obedience to established religious and political authority less than adherents of the Church of England who stayed behind. Those who moved to America were not the same as those who stayed. And their skepticism about authority, hierarchy, and obedience contributed to a distinctive American political culture that persisted through subsequent generations.

Note that I am not making an argument about Weber's "Protestant ethic." It's not necessary to argue that American Protestants were distinctively hardworking, and I don't want to hinge an argument about American distinctiveness on the importance of Protestantism. As Shklar (1991:71) points out, "Why, after all, have Chinese, Irish, and Jewish Americans worked as maniacally as they have? Not because they were Protestants." Shklar may be right, and there may still be an immigration selection process at work. That's because some of the non-Protestant people to whom she refers may have migrated to America for economic reasons, a point we discuss shortly. Regardless of ethnicity and religion, in other words, it's likely that people who came to America were atypically interested in pursuing the "American dream," where hard work rather than inheritance is supposed to gain you economic advancement, and thus were more acquisitive and individualistic than Europeans who stayed home (Lipset 1979:58). The argument about Protestant sects that I set forth above refers not to economic reasons for moving, which apply much more broadly than to Protestants alone, but to the distrust of authority that came from the feeling of oppression at the hands of the established religions of Europe. Lipset (1977:86), citing Tyler, sums up the situation in America thus: "The continent was peopled by runaways from authority."

Now there is some tension between the orientations of the early religious communities and the value placed on individualism which I described in the last chapter. Early Puritan communities, for instance, were hardly places where individual autonomy and freedom were prized. In some respects, in fact, one could say that they were quite tyrannical, insisting on the subordination of the individual to the mindset of the community. For the argument in this book, however, the key is localism (which I discuss in this chapter). Even in religious communities that were quite closed and tyrannical, there was still a fierce sense of independence from a larger set of religious or political authorities. Both routes—the individualism resulting from the value placed on economic advancement and the local autonomy of religious communities—led to the same place: an abiding distrust of government authority and a distinct preference for limited government.

The second category consists of those who came to America for economic reasons. It seems quite natural that many of them would value individual economic advancement and the acquisition of material goods and wealth. After all, that was their purpose. As Borjas (1990:3) puts it, immi-

grants shared "a common vision: the belief that the United States offered better opportunities for themselves and for their children than did their countries of origin." That value placed on economic advancement in turn played a part in creating the individualistic and antistatist culture described in the last chapter. The main goal in life for such people would understandably be their own economic well-being and that of their families and descendants.

This orientation also resulted in the distinctive American aversion to government, and particularly to taxation. If my purpose is to create my own wealth, then of course taxation is confiscating what is mine, and I have every interest in keeping taxes as low as possible. By extension, I have every interest in keeping the reach and expense of government as small as possible. So many people who came to America for economic reasons adopted these ideas, and they passed them on to their children and to future generations.

There were, of course, important differences among the economic reasons that prompted those who left their homes and traveled to these shores. Not all of them, even those who came for economic reasons, were entrepreneurial risk takers bent on the acquisition of wealth, the seizing of opportunity, and the promotion of their individual advancement. Irish escaping the potato famine, for instance, were simply desperate. Men other than firstborn sons in societies governed by primogeniture, having no way to make a living without the ability to inherit land, might have been more or less forced to move. Criminals and indentured servants might similarly have traveled to America without much entrepreneurial motivation. Not all reasons for traveling to America, in other words, even economic ones, would contribute to the distinctive individualistic and antigovernment political culture that we have discussed.

Still, it is likely that at least some of those who came to America for economic reasons were systematically different from those who stayed behind. That is, some of them—enough to make a difference—would have been more concerned with their individual economic advancement and would probably have been more unhappy about taxation than those who stayed behind in the old countries. Because of that tendency, the center of American politics was pushed in a more individualistic and antigovernment direction, on average, than the center of other countries. As Borjas (1990:3) summarizes the point, "Immigrants are not typical individuals. People willing to make a costly and uncertain investment in the American dream are quite different from the millions who choose not to migrate at all, or who choose to migrate elsewhere." Although the empirical evidence on this point about the difference between those who came to America and those who stayed behind would be harder to obtain this far after the fact than we might like, it seems likely that many immigrants were more entrepreneurial and more amenable risk-taking than those who stayed behind—it was risky to come here.

So it makes sense to argue that there were probably substantial differences between those who came to these shores and those who stayed behind. It certainly makes sense that those who traveled to America were not a random sample of the population in the country from which they came. After all, they did come for some reason.

Differences among Immigrants

We don't want to make the mistake of portraying immigrants as homogeneous. In fact, there were profound differences among immigrants. In particular, the early Protestant immigrants were quite different from the later waves of immigrants—Irish, Italian, Eastern European, many of them Roman Catholic. In his analysis of the first part of the twentieth century, Hofstadter (1963:8–9) describes the clash of cultures between Progressive reformers, largely agrarian or middle-class Protestant Yankees, and recent immigrants, who were very much adherents of the big-city political machines that the reformers were trying to destroy. Balogh (1991) has a somewhat different view of the interests allied with the Progressives, adding to agrarian interests the emerging urban middle class, which was also opposed to urban party machines. In any event, to the recent immigrants, Hofstadter (1963:183) says, "The reformer was a mystery. Often he stood for things that to the immigrant were altogether bizarre, like women's rights and Sunday laws, or downright insulting, like temperance." These later immigrants were more accustomed to religious or political hierarchy than the early Protestants, more likely to be industrial workers, and much more tied to big-city political machines. They were also major supporters of the policies of the New Deal in the 1930s, which expanded the reach and size of government considerably. If Hofstadter is right, the history of the United States in the first part of this century represented a titanic battle between agrarian, small-town, middle-class, individualistic Protestants from old Yankee stock and recently arrived urban, working-class, Catholic immigrants who espoused a quite different set of values.

It would be hard to maintain, of course, that all of American political culture is cut from the same cloth. In the last chapter, indeed, I specifically avoided claiming that such a homogeneous individualistic culture existed. But let's remind ourselves of several important considerations. First, many of the more recent immigrants, while not of traditional Protestant stock and values, still fell into the category of those who came to these shores seeking economic advancement. As such, at least some of them might well have been more likely to be entrepreneurial and risk-taking than those who stayed in the old countries. That observation holds true not just for many of the Irish, German, Italian, and Eastern European immigrants, but for recent Hispanic and Asian immigrants.

Second, we need to remind ourselves yet again that we're trying to compare the center of American politics and the center of the politics of

other industrialized countries. Despite the differences among the various kinds of immigrants, it still could be that the central tendency of American immigrants was more antistatist and more distrustful of authority than those who stayed behind in their countries of origin. If that is true, then the presence of even some such immigrants would push American politics more to the right than the politics of their countries of origin.

Third, as we noticed in our discussion of the weakness of political parties in Chapter 2, the reforms that started in the Progressive era did eventually succeed in weakening the parties, state by state, locality by locality, throughout the twentieth century. Civil service reform severely eroded the power of patronage, and the direct primary broke the parties' lock on nominations. And as noted in Chapter 3, the tendency to criminalize some activities that are legal and tolerated in other countries might be related to the importance of some versions of Protestant morality.

Canadian-American Differences

One set of early Americans did not share the distrust of authority that we have been discussing: Loyalists to the British crown, many of them Anglicans, believed in obedience to authority and loyalty to British rule. The continued presence of these "Tories" in large numbers after the American Revolution would have complicated considerably the story of migration I have told here, because they did not subscribe to the individualism, localism, and distrust of governmental and religious authority that I have argued were the hallmarks of American political thought.

But as losers in the Revolution, they migrated to Canada or returned to Britain in large numbers, voluntarily or involuntarily, leaving very few of their adherents behind (Lipset 1990). Conversely, the more individualistic sympathizers with the American Revolution in Canada left there to come to the United States (Lipset 1996:91). Thus did migration once again enhance the distinctive American orientation toward government; those who did not share that orientation left, and those who did share it came.

Lipset (1990) uses that migration of Tories to Canada to explain many differences between the United States and Canada. Less concerned with limiting government, Canada elected to adopt a Westminster-type parliamentary system. Later, Canada adopted a larger welfare state than the one that emerged in the United States, including (fairly recently) national health insurance. Canadians, according to Lipset, have been less tolerant than Americans of violence and vigilantism, which are extensions of individualism; and Canada therefore enjoys crime rates lower than those in the United States. Lipset (1990:140–142) also presents data showing that both elites and the mass public in Canada, by a variety of measures, favor "big government" more than similar Americans.

Lipset's theory of migration resulting in a more "Tory touch" in Canada than in the United States has its critics. Perlin (1997), for example,

comparing survey data in the two countries, concludes that Canadians are every bit as capitalistic, individualistic, and egalitarian as Americans are. But Perlin (1997:103) does find "one significant exception. Canadians, collectively, seem more willing than Americans to use government in an active role to pursue both economic and social objectives." That is indeed a significant exception, for it bears directly on both the institutional design and the shape of public policy in the two countries.

It seems likely that a similar interaction between ideology and institutions to which we pointed in the American case operated in Canada as well. But partly because of the migration to which Lipset refers, Canada's interaction worked differently. Canadians constructed stronger governmental institutions, including a parliamentary system. They provided for stronger political parties, some of which turned out to be innovative proponents of social programs like health insurance, first in selected provinces and then nationally. They designed public policies more ambitious than those of the United States, though less ambitious than those of many European countries. Thus the Westminster system and the relatively Tory values in Canada reinforced each other, resulting in a larger and stronger state than the American state, just as the American fragmented institutions and individualistic values reinforced each other. This may not explain all the differences between Canada and America, but there seems to be something to it.

In any event, the overarching point to remember is that migration is a selection process. People who move, on average, are systematically different from people who stay behind. Or to put it in statistical terms, people who move are a biased sample of the entire population from which they are selected. Norwegians who came to America were different from Norwegians as a whole, as the English who came were different from the English as a whole, and so forth. That's one reason America was different from other countries, even before the Constitution was written, and since.

DIVERSITY AND LOCALISM

I started Chapter 3 with a story about American diversity, my hypothetical answer to the question about what America is really like. It's true that this country presents a stunning array of differences: regional, racial, ethnic, class, and others. Combined with that diversity is a pervasive localism. Much more than people in most other industrialized countries, Americans are inclined to leave power in state and local hands.

That localism began, once again, at the beginning. America began as thirteen separate colonies. Actually, it began more locally than that—in local communities, many of them religiously based, in which the culture was so communitarian as to be tyrannical. One plausible model of the evolution of government in this situation, in fact, is that governments within

each colony were constructed as rather weak governments, to allow these local communities their treasured autonomy. Then the logic of weak government within colonies was eventually transferred to the design of the national institutions.

At any rate, there were striking differences among the colonies. Some sanctioned slavery; others did not. Some were dominated by Protestant sects; others were not. They contained very different sorts of immigrants. And they had dissimilar economies. The one thing that tied them together at the time of the Revolution was their opposition to British rule.

Given the diversity among the colonies, it is hardly surprising that there was some difficulty in linking them once the American Revolution had been won. The Articles of Confederation was the first try. The Articles bound the thirteen former colonies into a loose confederation, in which each retained a good deal of autonomy. After only a few years of experience with the Articles, however, the disadvantages of that sort of confederation became apparent. The former colonies were even exacting tariffs on goods transported from one to another.

The result was the Constitution. But the trick during that long hot summer of 1787 in Philadelphia (see Jillson 1988) was to work out a way to achieve some greater centralization without at the same time cutting too far into the autonomy of the individual states. The federal system was the solution to this dilemma. Some powers would be given to the national government, which would be supreme in its sphere, but many powers would be reserved to the states. The founders also addressed the fundamental question of whether the new Constitution was a union of states or a union of people, answering, "Both." So they established a bicameral Congress; the Senate, composed of equal representation for each state; and the House of Representatives, apportioned by population. Thus were localism and states' rights enshrined in the Constitution, which has lasted to the present day.

The United States, of course, is not the only industrialized country that has adopted a federal system. Canadian provinces, for example, have a constitutional autonomy that is similar to the autonomy of American states. Some version of a federal system is a standard response the world over to the generic problem of forging a single country from highly diverse localities. The point is not to argue that America is unique in this respect, but only to emphasize that federalism in America powerfully reinforced the fragmentation of institutions that was implied in the separation of powers, checks and balances, and bicameralism. That fragmentation, the product of the American belief in limited government, resulted in the messy and unwieldy institutional setup that has become both our wonder and our exasperation.

American localism was fundamentally related to another practice that was distinctively American: slavery. Blacks were brought by force to these shores from Africa, treated as property, and enslaved on plantations in the South. To abolitionists, slavery was a moral outrage, and its practice played

major parts in many signal events in our history. Slavery was a knotty problem in the very formation of the Union, as some people sought its abolition and southerners staunchly defended it as part of their way of social and economic life. The issue of how to count slaves for the purposes of the census and congressional apportionment plagued the 1787 constitutional convention, and was resolved only by the uneasy compromise of counting each slave as three-fifths of a person. Whether new states would be admitted to the Union as slave states or free states was a fundamental conflict as the country expanded. And the Civil War, the bloodiest war in American history, was fought partly over general issues of states' rights, partly over economic conflicts between the relatively urbanized North and the agrarian South, but also partly over slavery.

Slavery was intimately tied to localism. Southern arguments for states' rights were very much driven by Southern interest in resisting abolitionist sentiment in the North (Hartz 1955:147). If states' prerogatives could be preserved, then slavery could be preserved as well. Conversely, if the nation were to adopt a unitary constitutional system without federalism, slavery would be jeopardized. Thus was slavery a major driving force in the adoption and maintenance of a federal system of government.

The more general diversity and localism in the country, of course, argued for the design of a federal system in any event. But the system of slavery added a powerful southern impetus to preserve the prerogatives of states and localities to conduct their business as they saw fit, free of what they would have seen as national interference. And even after slavery was abolished, its legacy of opposition to the national government in the name of states' rights continued.

There have been changes over the years, of course, in the distribution of powers between the American national government and the states. One of the reasons the Constitution has endured for more than two hundred years, in fact, has been its flexibility to allow change in the face of changing conditions and problems. Only some of those changes have come about through constitutional amendment. Many more of them have involved court interpretation of constitutional language. The Constitution, for instance, gives the power to regulate interstate commerce to the national government. That power has been interpreted through the years very broadly, so that conditions affecting commerce, economic regulations of various kinds, even civil rights laws and certain police powers—combating kidnapping, gambling, and prostitution, for example—have all been found to be appropriate exercises of the power of Congress to regulate interstate commerce. Racial discrimination in public accommodations such as restaurants and hotels, for instance, has been banned by federal action, pursuant to the power of Congress to regulate conditions affecting interstate commerce.

Even with these changes, however, the Constitution reserved, and still reserves, considerable power to the states and localities. They have their

own powers to tax and spend. They are responsible, in the main, for education, streets and highways, police functions, the conduct of elections, and many other important aspects of government. State courts interpret their own states' laws and constitutions, and interpret contracts within their states, independent of federal court supervision. Many national programs, including welfare, Medicaid, interstate highways, and others, are actually federal-state collaborations, in which the federal government gives grants to the states in return for state adherence to federal requirements. And the country is currently conducting a momentous debate about which functions should be sent back to the states and which should be retained by the federal government.

One result of this decentralization of public policy is that marked differences exist between one locality and another. In education, for instance, curricula and spending per pupil vary tremendously from one state to another, a situation that is baffling to, say, French educators accustomed to a national education system. Observers and visitors from other countries are similarly baffled by local differences in American speed limits, enforcement of traffic laws, drinking age, welfare eligibility, abortion availability, and many other policies that are often determined nationally in their countries. Finally, variations among states and localities in regulatory regimes (e.g. licensing, environmental and employment regulations, taxes, and procedures for filing suits) dramatically raise the transaction costs of conducting interstate commerce, since business firms must spend a lot of money on lawyers and accountants that they would not have to spend if standards were national.

To return to the major point, America is a highly diverse country, with many differences from one locality to another. One major way in which that diversity has been handled, keeping the country together while still preserving a degree of local autonomy, has been the institution of a federal system. Thus American state governments, in contrast to the regional governments of some other industrialized countries, have their own powers and their own sovereignty, within the framework of the federal system. Add to this constitutional feature of federalism the more general localism of the country. When we have a problem, we look not just to Washington for solutions but to state and local governments as well. We even think of ourselves, as not simply Americans but also New Yorkers, Californians, Michiganders, and so forth.

One result of this diversity and localism is that there is more resistance to national initiatives than in most other industrialized countries. It has become practically a cliche in the United States, for instance, to decry a "one size fits all" approach to economic or social problems as we debate public policy issues. Throughout our history, "states rights" has often been a catch phrase used to resist the initiatives of the federal government, even in such areas as abolition of slavery and civil rights. We tend, more than citizens of other countries, to think that public policies should be tailored

to local conditions, particularly in such areas as education and police powers. Diversity means to us, more than it means to people in other countries, that national policies won't work well and that government "closer to the people" will work better. The truth of these perceptions, of course, is a matter of considerable dispute. But it does seem that American diversity and localism lead to this sort of thinking.

Part of this resistance to national initiatives in the United States involves the operation of political parties, which have traditionally been local organizations. The classic urban political machines like Tammany Hall in New York and the Daley machine in Chicago were built on a very local exchange: favors like city jobs and services from the machine in return for electoral and financial support. So not only have American political parties been weak compared to parties in other countries (a phenomenon described in Chapter 2), but they have also been local. Indeed, localism has contributed to the weakness of the national parties. Through much of the twentieth century, for example, it was extremely difficult for the national Democratic Party to discipline Southern Democrats in Congress. Southerners actually held the balance of power, in fact, partly because they benefited from the seniority system that allocated committee chairs, and partly because they could build majorities with Republicans without concern for party discipline. This decentralization of parties has added to the tradition of localism in the United States and has provided another reason for Americans, particularly those with partisan power, to resist the nationalization of politics.

All of this means that Americans want to limit, not just government in general but the national government in particular. Thus do diversity and localism contribute to the powerful interaction between ideas and institutions with which we began.

ECONOMIC AND SOCIAL STRUCTURE

The American economic and social structure also added its increment to the combination of ideas and institutions and the importance of diversity and localism. Many observers have noticed that American class conflict is muted relative to other countries. There are obvious differences, of course, between rich and poor, haves and have-nots, and the upper and lower classes. But compared to many industrialized countries, conflict among these economic and social strata seems to be less intense in the United States. Many Americans even go so far as to deny the importance of class differences, as part of their ideology of equality. The very concept of class makes Americans vaguely uncomfortable.

In his much-noted work on American distinctiveness, Hartz (1955) traces this muted class conflict, and its resulting ideology of limited government, to the lack of a feudal past in America. In the Middle Ages in

most European countries, economies and societies had a feudal structure. Lords or nobility owned huge tracts of land, and passed their land on to their own heirs. Most people were vassals or serfs, farming and living on the land without owning it, in return for fees paid to the lords. One was born into one's station in life, and there was precious little opportunity for advancement. This feudal system was accompanied in most countries by a hereditary monarchy and by an established church that was part of the ruling class. Thus privilege and station were not only economic facts of life; they were also thought to be ordained by God.

According to Hartz, the demise of this feudal system in most of the countries of Europe set in motion a vigorous and often violent class conflict, as the serfs and their descendants clashed with the lords and their descendants. After all, the feudal system had established clear divisions in these societies along class lines, and it's little wonder that class differences should become class conflicts as feudalism decayed and eventually disappeared. Class thus became a standard, natural concept in the thinking of most Europeans, a completely understandable legacy of a feudal system. Even when feudal systems disappeared, people were still accustomed to the notion that they were born into a "station in life," that some folks were "naturally" richer than others, and that people were limited in their opportunities to move up social and economic ladders.

Hartz points out that America had no feudal system and therefore experienced no revolt of the serfs, no revolution based on class warfare, and comparatively little in the way of class conflict. As Hartz (1955:6) observes, "It is not accidental that an America which has uniquely lacked a feudal tradition has uniquely lacked also a socialist tradition. The hidden origin of socialist thought everywhere in the West is to be found in the feudal ethos." The result in the United States was less pressure from the left, less of a Marxist tradition due to less class consciousness, correspondingly less pressure for government action and government programs intended to redress economic imbalance, and more of a belief in the virtues of limited government. Hartz (1955:123) notes that in contrast to Europe, American farmers were as much landowners as they were peasants and laborers, both agrarians and capitalists; and American laborers could be labor, propertied, and individualistic all at the same time. Lipset (1977) adds, interestingly enough, that various Marxist theorists—Marx himself, Engels, Trotsky, Gramsci—had come to a similar conclusion, that America's nonfeudal past resulted in little working-class consciousness and the dominance of an ideology of individualism and antistatism.

Hartz goes on to discuss some rather subtle effects of this lack of a feudal past. One of them is that there was less need in America than in Europe to construct strong governmental institutions like parliamentary systems and strong political parties, because Americans did not need to worry about using such institutions to combat the remnants of a ruling class rooted in feudal privilege (Hartz 1955:44). Another is that the American

Revolution was quite different from, say, the French Revolution, in that Americans did not require a revolution that would establish their equality in a class structure or remake their society. Hartz (1955:96) notes that in America, there was "the absence of an aristocracy to fight, the absence of an aristocracy to ally with, and the absence of a mob to denounce." Shklar (1991) adds that earning a living is a tremendously important American value, which means that many Americans have equal contempt for idle aristocrats, slaves, women at home, and the unemployed.

Another effect of feudalism is that migration again played a role, since people came to these shores to escape feudal and postfeudal shackles and therefore did not bring with them the intellectual baggage that characterized those who stayed behind. This was, in Lipset's (1979) felicitous phrase, "The First New Nation," free of a feudal past and even free of the values and orientations that went with the aftermath of a feudal past. It was composed of people who, in Tocqueville's phrase, were "born equal," and did not need to fight for equality.

Hartz, of course, has had his critics. Some criticize cultural approaches in general, of which Hartz's is one, pointing to the importance of institutions rather than widely held values or cultural norms. Others doubt the story line about muted class conflict, emphasizing the differences between haves and have-nots and noting, as we did when discussing equality of result, that the gap between rich and poor is actually much greater in America than it is in other industrialized countries. Other critics doubt that, even if culture is important, Hartz has correctly identified the themes of that culture. Katznelson (1986:37), for instance, points out that most American industrial workers were not like the original Protestant individualists, but were ethnic Catholic immigrants. Thus Hartz's liberal tradition could not have been the result of "an easy intergenerational transfer of values," partly because these immigrants came from societies that did have a feudal tradition. Still other critics grant that Hartz describes a part of reality but dispute the notion that his liberal tradition was or is the consensus or dominant political culture, pointing instead to various strands of American political thought in addition to liberalism. Finally, Foner (1984) argues that the American South actually was a feudal system of a sort, which should have produced a high degree of class conflict if the aftermath of feudalism worked as Hartz describes it. But European-style class conflict did not emerge in the South, because race intervened to divide the working class. In fact, those in power in the South exploited race to accomplish exactly that division, by pitting poor whites against blacks.

I discussed some of these criticisms in the last chapter. With regard to the importance of institutions, for instance, I concluded that a powerful interaction between political culture and institutions is at work, rather than either of them being dominant. I also pointed out different themes in American political culture, including both individualism and communitarianism, but concluded that in the American context, they all tended to

point to an emphasis on limited government and localism. I recognized earlier in this chapter the differences among immigrants but maintained that some of the later immigrants came to America for economic reasons, bringing with them the values of individual acquisition and equality of opportunity. I emphasized the importance of elections as a specific mechanism by which culture and public policy might be linked. I also reminded us of our main task here, to compare the American political center to the centers of other countries.

Specifically with regard to the connection between the lack of feudalism and American values, the South is indeed something of an anomaly. It seems to me that the southern experience really does not fit the Hartzian argument about the impact of the lack of a feudal past, partly because, as Foner suggests, race intervened.

But there also seems to me to be something to the argument about feudalism. As we're trying to construct a story of path dependence here, a major feature of American history is that the country was starting from scratch, so to speak, free of an economic and social system that had dominated the countries of Europe for centuries. That lack of a feudal legacy in this country, combined with the values of immigrants who were trying to escape that legacy in their old countries, was bound to affect American values.

There is another line of argument about the American class structure. We'll ask why in a moment, but just descriptively, labor unions in the United States are somewhat different from those in other countries. American unions concentrate on getting better pay and fringe benefits, more job stability, and better working conditions for their members. In the process, they are not as involved in pressuring for a more ambitious welfare state for all citizens as are unions in many other countries. American unions, of course, have not eschewed such involvement entirely. They were strong supporters of Medicare and the War on Poverty in the 1960s, for example, and have pushed for social programs for much of the post-World War II period. But in comparison, unions in other industrialized countries lead larger movements advocating, enacting, and protecting a much more sweeping welfare state than exists in the United States.

In those other countries, furthermore, unions are often intimately involved in democratic socialist political parties. The link between unions and those parties is much closer than the link between American unions and the Democratic Party. Again, we shouldn't portray American unions as utterly different. Greenstone (1969) documents the ways in which trade union officials organized election campaign work and recruited rank-and-file union members into campaign activity, and he also documents the emergence of organized labor as a major adjunct of the national Democratic Party. Still, with some exceptions such as Detroit, Greenstone does not find that unions are as fully integrated organizationally into the Democratic Party in this country as they are into democratic socialist parties in European countries.

There has never been the tradition of viable democratic socialist parties in America, furthermore, that one finds in most European countries. A substantial literature exists on why there's no socialism in the United States (e.g., Lipset 1977; Foner 1984). Fringe socialist parties have emerged, but none that had a real chance to attain power or even a share of power. The Democratic Party in the United States, for instance, has never been a socialist party in the tradition of the pre-1990s British Labour Party or the democratic socialist parties in most of continental Europe. That is, no viable American party has advocated state ownership and control of economic production, close state regulation of the economy, or a really thoroughgoing welfare state that is financed, owned, and operated by the government.

Lipset (1977:93–96) observes that American radicalism has also had a different character from European radicalism. The 1960s left wing in the United States, for instance, stressed decentralization and community control rather than centralism, which fits with American traditions of individualism and antistatism. Intriguingly, Lipset notices that both left and right in Europe have supported strongly centralized government, whereas both left and right in America have opposed centralization.

The weakness of pressure from the left is one of the main reasons that the United States has less ambitious domestic programs and a smaller public sector than is found in other industrialized countries. When Cameron (1978) compares countries and analyzes many variables that could account for their differences, he finds that one of the main reasons that some countries have a large public sector is that they have had viable, and even dominant, leftist parties for some of their history. And Heclo (1986) maintains that the poor are less well treated in American public policies than in other countries partly because their natural advocates, like activist labor unions and social democratic parties, are simply absent in the United States. The poor themselves are extremely hard to organize the world over, but the difference is that they have much better-organized advocates in other countries than they have in the United States.

Why has America, particularly the American labor movement and the political left, evolved as it has? A number of answers have been suggested in the literature. First, the suffrage came to American workers long before the Industrial Revolution did (Bridges 1986; Foner 1984; Lipset 1977). Particularly after property qualifications for voting were eliminated, there was universal white manhood suffrage very early in American history. This sequence of events meant that workers did not need to organize in both the political and economic spheres at once. In European countries, by contrast, workers were pressing for both the right to vote and the right to organize in the workplace at the same time, causing both unions and parties of the left to combine political and economic issues into one package, wrapped in a general rhetoric of class consciousness. But since American workers already had the suffrage and didn't have to organize to get it, American unions were able to devote themselves more single-mindedly to workplace issues.

This feature of American historical sequence thus accounts for the less political character of American labor unions relative to their European counterparts. Of course there is heavy union involvement in American politics. But compared to European unions, which have been intimately tied to social democratic parties and very much bound up with the concept of class struggle both politically and economically, American labor union activity has been more narrowly confined to workplace issues. As Shefter (1986:198) puts it, "American trade unionists at the end of the nineteenth century were not revolutionaries; they called strikes to extract concessions from employers, not to topple the state."

Second, going along with universal suffrage, political parties emerged in the United States before public bureaucracies did (Skowronek, 1982). Most European countries started with preexisting strong public bureaucracies, carryovers from such strong premodern institutions as monarchies or standing armies (Weir, Orloff, and Skocpol 1988:16). According to Shefter (1994), therefore, patronage wasn't available to European political parties, since people obtained and held jobs in autonomous public bureaucracies by some sort of merit criteria rather than by the intervention of party officials. This meant that the appeal of parties of the left was based on ideology, rather than patronage.

In the early United States, by contrast, strong government bureaucracies—federal, state, or local—did not emerge (Skowronek, 1982). Political parties emerged first, to organize the white men entitled to vote by widespread suffrage. Thus, Shefter argues, patronage was available to American parties, and particularly in the big cities, parties used patronage to claim and hold power, eschewing ideology. Thus parties of the left in the United States were less ideological, less radical, and less inclined to democratic socialism than leftist parties in Europe. But the corruption of the patronage base also fueled the reform movements that weakened American parties.

Orloff and Skocpol (1984) argue that the early twentieth-century British pattern of a strong civil service and programmatic parties made Britain a pioneer in welfare programs like workers' compensation, old age pensions, health insurance, and unemployment insurance. The American Progressive movement at about the same time failed to institute similar programs in such areas as pensions and social insurance. According to Orloff and Skocpal, Britain and America were roughly comparable at the time in industrialization, liberal values, and the demands of organized industrial workers. They attribute the differences in public policy instead to institutional or state-centered factors, particularly the combination of bureaucratic and party characteristics. America's relatively weak civil bureaucracy meant it had a lesser capacity than Britain to administer a welfare state, and the American patronage parties did not include the programmatic advocacy of the welfare state that British parties typified.

The third reason for the distinctive character of the working class and the absence of socialism in America is that the working class in the United

States has always been more racially and ethnically heterogeneous than in most European countries (Bridges 1986; Foner 1984; Lipset 1977). This heterogeneity means that a lot of workers' loyalty is ethnic or racial, rather than based on an explicit class consciousness. Indeed, racial tension within the working class has resulted in less pressure for government social programs, as white workers have opposed more vigorous approaches in programs like job training, affirmative action, and housing because they view such programs as benefiting blacks (Quadagno 1994:192). This kind of muting of class consciousness because of racial and ethnic heterogeneity is another reason that democratic socialism, based as it is on concepts of working-class solidarity, has less appeal in America than in Europe. The working class is simply less "solid."

Finally, Hattam (1992) points to the unusual power of the American courts. Comparing Britain and the United States, she notices that both started labor movements and both passed similar labor legislation to encourage and reinforce those movements. But relatively weak British courts did not challenge the legislation, whereas relatively strong and autonomous American courts did, either striking down the laws or interpreting them in such a way as to weaken them in application. Thus the American labor movement isn't nearly the political force that the British labor movement is, because American courts have stood in its way.

Thus there are several theories—the lack of feudalism, early universal suffrage and political party development, working-class heterogeneity, and the strength of the courts—that attempt to explain why class conflict is muted in the United States compared to other countries, why there is less working-class solidarity, why labor unions are less involved in partisan and electoral activity, and why there is no viable American democratic socialism. Regardless of which explanation or combination of explanations you might find most convincing, the consequence of the unusual American pattern is clear: much less pressure from the left for big government in the United States than in other industrialized countries. Thus these features of the American economic and social structure—the lack of a feudal past, the relatively narrow reach of labor unions, and the lack of viable democratic socialist movements—all contribute to our explanation of American distinctiveness. They help explain the unusual American belief in limited government and reinforce the combination of ideas and institutions with which the country started.

OPPORTUNITY

It's part of our national mythology that America is the land of opportunity. In some respects and for some of the people, the myth is true. To the extent that it is true, the pattern of opportunities in America has contributed to American distinctiveness.

The first point about opportunity flows from the point about the muted importance of class. In many European countries, power and privilege were the inherited province of the nobility and wealthy. One couldn't get ahead economically or socially without being born into privilege. One couldn't attend the best preparatory schools or universities, for instance, or aspire to the higher-status or wealthy professions, without being born into privilege. This lack of class mobility traditionally meant that opportunity for advancement was quite limited for much of the population.

America, by contrast, has allowed for greater occupational and social mobility. It's decidedly not true that every American is born on the same footing, of course. A considerable body of writing on life chances of various segments of the population shows that some people—because of race, gender, class, or other factors—simply don't have the same opportunities as others. But again, this is a book about America in comparative perspective. The issue is not whether America is the land of opportunity in some absolute sense, but rather whether America is the land of opportunity relative to other industrialized countries.

It would be hard to give iron clad proof either way. But this relative lack of hardened social classes and the sense that at least some are allowed to break out of their class of birth and move up in the world do lend some plausibility to the argument that greater opportunities for economic and social upward mobility have existed in the United States than in other countries. Without any history of royalty, nobility, feudal landholdings, or other such trappings of privilege, probably more people have actually had a good chance to move up, at least across generations and even within generations. And despite the presence of barriers to upward mobility in America, those barriers are probably less formidable than in other countries. I noted in my discussion of equality of opportunity in Chapter 3, however, that the difference in occupational and social mobility between the United States and other countries seems to be smaller lately than it used to be. Still, the impressive mobility early in American history, and the current perception of equality of opportunity, make America distinctive.

What does this greater opportunity have to do with American politics and public policy? The connection may seem a bit tenuous, but the notion is that opportunity enables individualism to flourish. If you believe that you can get ahead on your own, you feel less need to turn to government for help. Indeed, you might even feel that government could get in your way, either by taxing you at higher rates than you deem necessary or by regulating your business, career, or life in ways that retard your progress.

This logic turns only in part on the *reality* of opportunity. The *myth* of opportunity also promotes this train of thought. Even if people don't have equal access to opportunity, if they *believe* they have opportunities, they tend to adopt this individualistic, skeptical stance toward government. That's one reason that playing on class conflict in election campaigns, particularly by bashing the rich, doesn't work as well as one might think. Even

people who aren't rich figure that they might one day become rich, or at least that their children might. So perceptions are at least as powerful as realities.

Another feature of the opportunity structure in America is Frederick Jackson Turner's (1920) theory of the frontier (see Taylor 1972). Turner believed that American culture and politics were profoundly shaped by the fact that the frontier was always available. If you weren't making it economically on the East Coast, or if you were politically oppressed, you could always cross the Appalachians and start a new life. Or if that didn't work, you could go to the Great Plains. The point is that the availability of the frontier created opportunities for people that they wouldn't have found in other countries. Turner thus called the frontier "this gate of escape," adding, "Men would not accept inferior wages and a permanent position of social subordination when this promised land of freedom and equality was theirs for the taking. . . . Free land meant free opportunities." (Taylor 1972:41)

The frontier then worked in the same way as other opportunities for individual advancement. People didn't need to turn to government for help or for basic services; if they weren't doing well in the East, they could just move west instead. To put it in a more general way, if the pie is always expanding, then government doesn't need to step in as much to redress grievances or set things right. If the private market provides, the thinking goes, government action is less necessary.

Wood (1992) also points out that widespread freeholding promoted equality. If farmers owned their own land in America, in contrast to the usual feudal European situation of peasants working for landholders, then it wasn't too great a stretch to conclude that they should be the equals of aristocrats. Turner also argued that, in view of widespread ownership of property on the frontier, a property-owning qualification for voting that existed in the East made a lot less sense. So a property qualification was abandoned in favor of universal manhood suffrage (for whites). According to Turner, the primitive conditions of the frontier, combined with the opportunity to own land, had a profoundly leveling effect; everybody was in the same boat.

Turner's thesis set off a huge historical literature, some of it critical and some of it written in support. Critics wrote that Turner neglected the pathologies of industrialism; understated the importance of slavery; ignored the fact that frontier institutions were borrowed from the East rather than the other way around; and overstated the tendency of the frontier to nationalize the country, homogenize the population, and promote equality. Supporters argued that while some of those criticisms might have merit, the central importance of the frontier in American historical development remained its impact on the sense of opportunity and hence on cultural and ideological structures that reinforced the American themes of individualism and skepticism about government.

Indeed, the availability of land promoted an entire intellectual tradition based on the virtue of ownership. Zundel (1995) discusses what he calls an agrarian republican ethical tradition. The notion is that owning a farm or other land creates civic virtue—it promotes values like responsibility, civic engagement, and family stability. Zundel argues that this tradition, developed originally in an agrarian setting, has created a set of symbols and values that have been transported even to rather unlikely contemporary settings. He shows that the agrarian republican language is used in modern debates about urban housing policy, for instance, as people extol the virtues of home ownership and the responsibility and stability that it supposedly brings to a community. And the American rate of private property ownership, especially home ownership, is in fact very high, compared to the rate in other countries.

In any event, the myth of America as a land of opportunity reinforced American individualism, the sense that people could take care of themselves and that government not only wasn't needed but might even get in the way. To the extent that the myth was punctuated by evidence of real opportunity, as with the availability of land on the frontier or evidence of actual occupational mobility, the impact of the structure of opportunities on American poltical thought was only made stronger.

ISOLATION

Finally, some additional factors, though not in and of themselves driving American distinctiveness, enabled America to be unlike other advanced industrialized countries. I will discuss two such enabling factors, international isolation and effects of war.

The United States has remained extraordinarily separate from other countries through much of its history. Part of that isolation is geographical. We're separated from other countries (except for Canada and Mexico) by vast oceans. European countries, by contrast, are thrown together much more. Even Great Britain, separated as it is from continental Europe by the English Channel, still is more closely tied to Europe than we are. Through all of the wars that pitted one country against another in Europe from the Middle Ages to nearly the present day, it was an inescapable fact that the fate of one country was intimately bound up with that of its neighbors.

American geographical isolation was accompanied by an economic isolation. Cameron (1978) shows that countries that are highly dependent on others for trade and capital grow larger public sectors than countries that are more isolated economically. Less independent countries can't manage their economies on their own and are obliged to cushion their citizens against the effects of international economic forces with social programs and countercyclical policies. Until recently, Cameron's argument goes, the United States depended much less than other industrialized

countries on trade, capital flows across borders, and other economic exchange. This relative lack of interdependence enabled America to go its own way, with no need to bring its governmental policies or economic system into alignment with those of other countries, or to provide its citizens with cushions against international economic forces. The distinctive policies and practices I have described, though not necessarily caused by isolation, were able to continue without outside interference.

The most striking example of interdependence, of course, is the post–World War II development of the European Common Market, now the European Union. Started as a free trade zone, it developed into quite an elaborate set of common institutions, altering national sovereignty in important ways. Movement toward a common monetary system, for instance, has necessitated common policies concerning government deficits and social welfare spending. Indeed, the turmoil in France in 1996, in which government workers went out on strike and filled the streets in protest, was prompted by the European Union's insistence that France control its deficit by cutting government spending. The same set of issues resulted in the victory of the French leftist parties in the election of 1997. German efforts to trim governmental programs led 300,000 protesters to take to the streets in June of 1996.

The luxury of American isolation is changing as these lines are being written. Modern communications technology, for one thing, makes the world much more closely knit than it used to be. Rapid and reasonably priced airplane travel, television bounced off satellites, low-cost international telephone calls and faxes, and instantaneous electronic mail and computer hookups all enable the kinds of commercial and other transactions that we couldn't have dreamed of even three or four decades ago.

It is already apparent that the result of these developments is the decreasing isolation of the United States. More of America's economic activity is accounted for by international trade than it used to be. American industries are subjected to international competition that they weren't obliged to endure in earlier days. The economies of industrialized countries are more closely linked, and America is increasingly drawn into this global system. To add to the strictly economic factors, environmental protection is also reducing American isolation. Such environmental problems as ozone depletion, greenhouse gases, and reduction of the oceans' fishing stocks obviously don't respect geographical borders and require international cooperation to solve.

It seems unlikely, therefore, that the former geographic and economic isolation of the United States will continue to enable us to maintain as much of our distinctiveness as has been our custom. It's not clear in what respects and to what extent other countries will become like us, or we like them. All countries, furthermore, tend to find ways to maintain their own traditions. But it is possible that greater interdependence may foster, or even force, greater similarity among countries.

Finally, the effects of war, particularly the devastation of World War II, enabled the United States to go its own way. The War disrupted American economic and political routines, to be sure. But that disruption was much less severe than the disruption in Europe and Japan, where large portions of the transportation and communications infrastructure, industry, and housing stock were utterly destroyed. Little wonder that those countries turned to government to rebuild. American Marshall Plan aid, furthermore, which was designed to help rebuild Europe after World War II, went to public entities, not to private investment, adding another reason for government programs in Europe. Americans, on the other hand, were able to continue to resist massive government programs in such areas as transportation and housing after World War II because the country did not suffer wartime devastation.

CONCLUSION: A STORY OF PATH DEPENDENCE

Two roads diverged in a wood, and I—
I took the one less traveled by,
And that has made all the difference.

—*Robert Frost*

This chapter has tried to answer the questions, "Why do Americans at the center of our politics think the way they do about the proper role of government, and why have American government and public policy turned out to be as limited as they are, compared to other industrialized countries?" We have discussed several explanations, including migration, localism, economic and social structure, opportunity, and isolation. Let's try now to draw these explanations into an argument about why the United States is different.

That argument is a theory of path dependence (see Arthur 1988, 1994). Economic theories of path dependence were originally generated to explain why given technologies like the QWERTY typewriter keyboard (David 1985) or VHS video technology (Arthur 1988) came to dominate their markets, even though they may not have been the most efficient or advanced systems available. Once typewriters were designed with a QWERTY keyboard, for instance, everybody made an investment in that technology and then carried it over to computers. It's extremely difficult to replace QWERTY, even though better keyboards are possible (David 1985). For the same reason, VHS technology took over the video cassette market from Betamax technology once people made their investments in VHS, even though Beta may have been a better technology (Arthur 1988).

The central notion in path dependence is that a given system (e.g., a market or a country's governmental institutions) starts down a path and, once started, cannot easily reverse course. The notion is that initial conditions and early choices heavily affect the future course of events. The beginning choice may even be strictly random, as with the flip of a coin, or at least somewhat haphazard, though it may not be. Random or not, once initial choices are made, all of the involved agents invest in those choices, powerfully reinforcing the direction in which the system is headed. A slight edge in VHS market share over Betamax, for instance, powerfully affected which technology eventually took over. Arthur (1988, 1994) even argues that the system becomes "locked in" to its pattern. It might be possible to reverse direction, but very costly. Pierson (1996) makes a persuasive case that path dependence characterizes the political world even more often and more powerfully than it applies to economics.

Let us bring this theory to bear on differences between the United States and other industrialized countries. America started down the path of limited government very early. We started with a distinctive distrust of authority, including governmental authority, that sprang both from the values of the immigrants and from the pervasive localism of America. Faithful to and believing in that orientation, the founders deliberately built the country's fragmented governmental institutions (separation of powers, checks and balances, bicameralism, federalism) so as to limit government. Their design also contained specified limits on government action, as in the Bill of Rights, to be enforced by independent courts. Now that we have gone down that path of limited government for two centuries, we are extremely unlikely to design a wholly different set of institutions from scratch (North 1990:95). Some Americans think that the genius of the founders is their lasting legacy to all of us; others think that we're all stuck with these unwieldy institutions. Either way, there's no turning back.

A key starting point in an explanation for American peculiarity is the combination of ideology and institutions discussed at the end of Chapter 3. The American ideological center of gravity, which was more suspicious of governmental authority than the center of gravity in other countries, was systematically and deliberately built into our unusual institutions. So the idea of limited government became a hallmark, not only of some sort of general American political culture but also of the very structure of governmental institutions under which Americans still live. Those institutions consequently make change difficult and reinforce the ideology of limited government. This enduring and powerful interaction between ideas and institutions, each one reinforcing the other down through history, goes some way to explain the modern distinctiveness of American politics and public policy.

Let us explore the matter of institutional development a little more fully. North (1990) adapts the general principles of path dependence to understand institutional development. As North (1990:7) says, institutions "determine the opportunities in a society. Organizations are created to take

advantage of those opportunities, and, as the organizations evolve, they alter the institutions. . . . [The result is] the lock-in that comes from the symbiotic relationship between institutions and the organizations that have evolved as a consequence of the incentive structure provided by those institutions."

To follow North's logic in the case of American governmental institutions, once the United States adopted a fragmented constitutional system, interest groups from the beginning right down to the present were formed and built their strategies around the institutions, creating powerful interactions between institutions and politics. Along the way, political parties—institutions that in other countries mobilize majorities, aggregate preferences, and organize government for action—were also severely weakened. As discussed in this chapter, the weakness of the administrative state through the nineteenth century was also a major part of the relative weakness of governmental institutions.

While some stories of path dependence start with a flip of the coin, I do not consider the initial steps in this case to have been a random start. To the contrary, the people who came to America and dominated our politics were, as noted earlier, systematically different from the people who stayed behind in their countries of origin. Because they came to these shores either to escape religious or political authority or to better themselves economically, the people who came to dominate American politics were more suspicious of government than those who populated other countries, more concerned about government tyranny, less given to obey authorities, less tolerant of hierarchy, more inclined to see taxation as confiscating what was theirs instead of as a way to finance collective purposes, and less inclined to support ambitious government programs.

In addition to a general suspicion of governmental authority to which migration patterns contributed, American diversity and localism resulted in a particular suspicion of the national government. Slavery reinforced localism powerfully, because it was the driving force for many arguments in favor of states' rights. Politics was local in many other respects, including the localism of our political parties. The constitutional establishment of a federal system ensured an institutional reinforcement of localism, as state and local governments retained a portion of their own sovereignty and powers.

Once the institutions were established and survived, the American ideology of limited government, the tradition of localism, and the workings of the institutions perpetually reinforced one another. Ideology dictated continued limits on government; but because government institutions were limited, people also developed limited expectations about what government could or should accomplish, reinforcing the ideas. As a theory of path dependence would have it, once America started down the path of limited government, it proved extremely difficult to change course, even if people were disposed to do so.

Arthur (1988) also argues that a direction in a path-dependent system can only be changed by some powerful coordination effect, such as an

authoritative agency dictating a change by fiat. Such coordination is exactly what American institutions (fragmented governmental institutions and weak political parties) were designed to avoid, making a reversal of the initial course even less likely than with other cases of development.

In addition, interest groups have been built around these fragmented institutions. So when some proposal surfaces that would challenge the existing interest groups, these groups can block such a proposal more easily than with the more centralized or coordinated institutions in other countries. To block a proposal, a given interest group or coalition need only block it at one of several points (House committee, Senate floor, president, etc). To pass the proposal, it must survive all those challenges.

Margaret Thatcher could go farther and quicker in trimming the British welfare state than Ronald Reagan could go in this country, for example, because her parliamentary system gave her the coordination tools that the American system lacks (Pierson 1994). Not obliged to contend with the separation of powers, she could also count on the support of a strong, disciplined party in the British parliament. Even at that, according to Pierson, direct attacks on social programs in both countries were less effective than indirect strategies like institutional changes that strengthened budget cutters' hands or policies that weakened government revenue bases.

A similar logic applies to the notion of policy sequence (Weir 1992b). The idea is that public policies adopted early profoundly affect subsequent policies. The sequence starts with institutions that shape the alliances that are possible, guiding the development of ideas and the definition of people's interests. Government then adopts some public policy, like the New Deal version of employment policy in the 1930s. Those policies, once adopted, result in a set of beneficiaries or constituencies, who then organize interest groups to protect the policy in place (Walker 1991). Once a policy orientation is established, it becomes difficult to change course.

To return to our story, several other factors reinforced the original path. America's economic and social structure, first, shaped as it was by the lack of a feudal past, muted class conflict and discouraged the emergence of the democratic socialist tradition that one finds in most industrialized countries. As labor unions evolved in this country, they were more exclusively occupied with workplace issues than were labor unions in other countries, partly because they did not have to fight for the vote at the same time that they fought for benefits in the workplace. Neither the democratic socialist tradition nor the socialist parties that developed in many other industrialized countries ever emerged in the United States, for the variety of reasons we considered above. This lack of a democratic socialist movement and the somewhat narrower reach of American labor unions contributed substantially to this country's tradition of limited government, because there was less pressure from the left than is found in most other industrialized countries.

The myth and reality of opportunity, second, including the availability of the frontier, made it possible for people to advance on their own with

less governmental protection than one observes in other countries. The third reinforcing factor, American geographic and economic isolation, though not driving the differences between the United States and other industrialized countries, further enabled us to go down a different path.

To summarize our theory of path dependence, migration and localism generated distinctive early American ideas, which centered on suspicion of authority and limitations on government. Those ideas were systematically built into American institutions, setting up the central interaction between those ideas and institutions that has affected our politics and public policies ever since. Once the limited government institutions were established, an entire structure of powerful interest groups and weak political parties reinforced the limitations that were hallmarks of both the ideas and the institutions. A number of other factors reinforced the American pattern of limited government: economic and social structure, including muted class conflict, the distinctive orientation of our labor unions, and the absence of democratic socialism and feudalism; the pattern of economic, social, and geographical opportunities; and relative isolation.

But in a system of path dependence, there is nothing historically inevitable or foreordained about such developments. Quite the contrary: Each choice on the path could go either way, there are no single or unique equilibria, and outcomes are not really predictable (Arthur 1988, 1994). The sequence is critical, but the outcome cannot be foreseen. If American labor unions had been fighting for the right to vote and for workplace rights at the same time a century after the adoption of the Constitution, for instance, political evolution in this country might have gone much more in the direction of "big government." Or if the United States had suffered as much destruction in World War II as European countries did, Americans might easily have resorted to much larger and more intrusive government to rebuild, instead of dismantling the massive government planning and rationing apparatus that was put in place during the wartime mobilization. This theory of path dependence, then, is quite different from historical determinism, and quite different from the determinism of various social science theories (Pierson 1996).

Indeed, the unfolding of American history is filled with critical junctures when there was conflict over institutional design and policy directions, when making a different choice would have gone against and then changed the prevailing ideas about limited government, and when in fact America did sometimes adopt measures that seemed much more like "big government" than the prevailing American ideology would have suggested. A vigorous debate was played out during the pre-Constitution period of the Articles of Confederation, for instance, about how much power the national government should have. The nation's history has been punctuated by similar debates ever since—between Federalists and Jeffersonians, Whigs and Jacksonians, nineteenth-century Republicans and Democrats, Progressives and their opponents, 1930s New Dealers and their opponents, and in our own day conservative Republicans and liberal Democrats. Some

of those debates were about the proper role of the federal government vis-à-vis state and local governments; others were about government in general vis-à-vis the private sector.

No hegemonic Hartzian liberal consensus dominated those debates. Major choices were hotly contested at each juncture, and different choices would have altered the path that the country took. Those critical junctures were open policy windows (Kingdon 1995:Ch.8), opportunities for advocates of the expansion of the reach and size of government to make their case. And in fact, some "big government" initiatives were enacted. The New Deal programs of the 1930s, for instance, included social security, regulation of wages and hours, government employment programs, agricultural assistance, and securities and banking regulation. The federal government also introduced the expansive programs of the 1960s, including Medicare and Medicaid, civil rights legislation, federal aid to education, and the War on Poverty.

Those debates and governmental choices, however, took place in a distinctively American context. To return to a major theme of this book, those debates *centered* on a position concerning the appropriate powers and limits of government that was more to the limited government end of the continuum than the center in other countries. Although the outcomes of the struggles were not predetermined or inevitable, and although there were exceptions, the major choices in institutional design and public policy tended to point to a less expansive and more limited role for government than did similar choices in other countries.

This book has concentrated on critical turning points in American history that have led the country down our own path and so generated its distinctiveness. A similar analysis could be developed for other countries as well. For European countries, for example, the utter devastation of World War II would be one of those junctures, leading them to adopt more ambitious, government-centered programs to rebuild housing, transportation, and industrial infrastructure than they might have adopted without that devastation. Much earlier, it was the availability of a strong administrative state that enabled Bismarck to begin the development of far-reaching social welfare programs. A theory of path dependence, in other words, seems quite generally applicable, and probably helps us understand developments in all countries, not just the United States.

Some of the factors that led to American distinctiveness may be changing, although it's difficult to be confident about how much change is likely. New problems may also arise that call for new solutions. Globalization, for instance, could be making distinctiveness somewhat less possible and may increase the similarities among countries as the years go along. On the other hand, the logic of path dependence suggests that countries will not completely converge. So we turn last to some implications of American ideas and practices.