



FREEDOM AND

By Nelson

Governor of

IN THE OMINOUS SPRING of 1939, a bright and sunny May 3rd was a day marked by Adolf Hitler with another bellicose speech to the Reichstag calling for a showdown on Poland. On the same day, the League of Nations opened its "peace pavilion" at the World's Fair in New York City. And also on this same day, which seems so remote from the present instant, there was published a vigorous critique of American political life by a visitor from abroad, famed in intellectual and academic circles, who had just delivered a series of lectures on the American presidency. The visitor was Harold J. Laski. And the obituary he wrote upon an historic American political doctrine bore the title: "The Obsolescence of Federalism."

How did Professor Laski conclude that the age of federalism was languishing near death?

He did concede that "federalism is the appropriate governmental technique for an expanding capitalism." But, he declaimed, a "contracting capitalism cannot afford the luxury of federalism." Leaping from this premise, he insisted that the failure of the federal idea was unmistakably plain not only in the U.S. but also elsewhere in the world—in Canada, Australia, Germany. And he explained this universal failure in these words: "Whether we take the conditions of labor, the level of taxation, the standards of education, or the supply of

amenities like housing and recreation, it has become clear that the true source of decision is no longer at the circumference, but at the center, of the state. For 48 separate units to seek to compete with the integrated power of giant capitalism is to invite defeat in almost every element of social life where approximate uniformity of condition is the test of the good life."

The two decades since have dealt a harsh retort to Professor Laski's pronouncement on federalism in the U.S. It has been proven wrong in economic, social, and political terms.

The Creativeness of Federalism

In the first place, the American free economy has not contracted but has continued its dynamic expansion. Private enterprise has become more vigorous, more creative—and better able to bring to the American workingman and woman the highest standard of living ever known by any nation, any time, anywhere in history.

The grim prognosis of 30 years ago has also been proven wrong in strictly political terms. For federalism—its ideas and its practice—has continued to show itself the adaptable and creative form of self-government that the Founding Fathers of this nation conceived it to be.

These lectures are dedicated to the conviction that these basic political, social, and economic facts of life—and the les-

sons they carry for us—are crucial to the whole fate of freedom and of free men everywhere in this mid-twentieth century.

I do not use the word "freedom" casually. For nothing less than the historic concept of the free individual's worth and dignity, defined and attested by the whole Judeo-Christian tradition, is **at** stake in our world. Nor do I mention this nation's Founding Fathers from mere historic sentimentalism.

The basic belief that these lectures will finally state is the urgent, historic necessity summoning Americans of this generation to match the founders of this nation in their political creativity, boldness, and vision.

The Founding Fathers devised a structure of order for a nation within which free men could work and prosper in peace. We are required to help build such a framework for freedom not merely for a nation but for the free world of which we are an integral part. And we are called to do this with far greater speed, I believe, than many of us realize or admit.

Ultimately, the great part of our debt to the past may lie in this fact: the federal idea, so basic to both personal freedom and national unity in the history of America, can now be extended and applied to bring order, strength, and progress to the world of free peoples.

Let us look, first, at the federal concept and its evolution in our nation. Let us examine some of its practical applications on working levels of national, state, and local government. Let us observe its capacity for adaptation and change, over the decades. Let us see its critical relevance and relation to a free economy—and a pluralistic society. Let us always

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remember, however, that the *supreme* issue before us through all the inquiry is this: how to make freedom itself work and endure in the world today.

The Federal Idea

The federal idea: What does this mean ?

Let me first make it clear that I do not speak of the federal idea as merely a mechanical or technical or abstract formula for government operations.

I refer to the federal idea broadly as a concept of government by which a sovereign people, for their greater progress and protection, yield a portion of their sovereignty to a political system that has more than one center of sovereign power, energy, and creativity.

No one of these centers or levels has the power to destroy another. Under the Constitution, for example, there are two principal centers of government power—state and federal. As a practical matter, local government, by delegation of state authority under the principle of "home rule," is a third such key center of power. The federal idea, then, is above all an idea of a shared sovereignty at all times responsive to the needs and will of the people in whom sovereignty ultimately resides.

Our federal idea is complex and subtle. It involves a balance of strengths. It puts into play a sharing of powers not only among different levels of government but—on each level—a separation of powers between the legislative, executive, and judicial branches of government. And it clearly signifies more than mere governmental structure. It demands faith in—and an environment for—the free play of individual initiative, private en-

terprise, social institutions, political organizations, and voluntary associations—all operating within a framework of laws and principles affirming the dignity and freedom of man.

A federal system, then, seeks stability without rigidity, security without inertia. It encourages innovation and inventiveness—governed by principle, and guided by purpose. It assures responsiveness more thoughtful than mere reflex—and liberty that does not lapse toward anarchy. In short, it seeks to hold the delicately precarious balance between freedom and order upon which depend decisively the liberty, peace, and prosperity of the individual.

A more full and meaningful "definition" of the federal idea may be offered in the form of what I believe are four of the critical ways in which the federal concept operates. *First:* The federal idea fosters diversity within unity.

In this land that reaches from ocean to ocean, the great social, economic, and political problems vary profoundly as they may appear, for example, before the people of Wyoming, the people of Louisiana, or the people of Massachusetts. In meeting many of these problems, a sweeping generalized edict from the national government might well be futile or even fatuous. Yet, in our federal concept, the national government is called upon to work with state governments in ways encouraging the states more effectively to resolve their own problems in their own way.

Second: The federal idea permits and encourages creativity, imagination, and innovation in meeting the needs of the people. Those needs, if not met by private action, can be met at the local, the state, or the national level of government.

By providing several sources of political strength and creativity, a federal system invites inventive leadership—on all levels—to work toward genuine solutions to the problems of a diverse and complex society. If local solutions are not forthcoming, it is still possible to bring to bear the influence, the power, and the leadership of either the state or the national government.

Third: The federal idea is a pluralistic idea. It gives scope to many energies, many beliefs, many initiatives, and enlists them for the welfare of the people. It encourages diversity of thought, of culture, and of beliefs. It gives unparal-

leled opportunity for the development of private institutions—social, political and economic.

Whereas a tightly centralized government tends, by its disproportionate weight and power, to stifle diversity and creativity in both the public and private sectors, a federal system provides room for both infinite variety and creativity in all sectors of national life.

Fourth: The federal idea is characterized by a balance which prevents excesses and invites the full, free play of innovation and initiative. This balance is essentially achieved by: the division of powers between the national and state governments, the separation of legislative, executive, and judicial authority, the absence of monolithic national parties, the permissive encouragement given to local municipal governments to achieve a measure of home rule either in fact or in law, the competitive action of commercial enterprise, and—above all—the freedom of individual initiative, rooted in a basic and unwavering belief in the dignity of the human person.

Let me now meet here an obvious challenge on the question of the balance within the American federal system. This is the assertion that the most dynamic forces in our society—social and economic needs, technological evolution, national peril, and governmental complexity—all conspire to decree a pitiless growth in the centralization of political authority, whether we wish it or not. The massive pressures of the Great Depression and of World War II (so it has been argued) made a bloating of central government inevitable.

The Growth of Government

As the demands of society have increased, the national government has, indeed, not only become larger but also has become more deeply involved in state and local affairs. However, the striking fact in our domestic political experience since World War II has not been the growth of federal government—but the far more rapid expansion of state and local government, to meet growing social needs.

It is true that, from 1950 through 1960, total national expenditures moved from 40.3 billion to 77.2 billion a 92 per cent increase in a decade. We must note, however, that practically all of this increase was allotted directly to the Defense Department. If we subtract the

expenditures of the Defense Department, national expenditures increased only 24 per cent—from 27.1 billion to 33.5 billion.

In the same period, total *state* expenditures jumped from 13.2 billion to 32.5 billion—an increase of 146 per cent. Allowing for large population increases, this meant a leap from \$89 per capita in 1950 to \$182 per capita in 1960. Expenditures at the local level are equally impressive. In cities over 25,000, for example, the outlay went from 4.9 billion in 1950 to 12.3 billion in 1960, a staggering jump of 150 per cent.

If we recall again the dismal prognosis offered on the future of federalism more than 20 years ago, we are tempted to ask: if this be "obsolescence," what, then, would be the size of growth?

The Role of the States

I offer further proof by referring simply to the magnitude of certain programs of the government of the State of New York—and their comparative relation to matching efforts by the government of the U.S.:

In education: State aid to elementary and secondary education in the State of New York totaled \$753 million in the 1961-1962 fiscal year, or \$87 million more than the President requested of the Congress for the whole nation in 1961.

In civil defense: The \$100 million for the New York program, made law in the special session of the State Legislature in the Fall of 1961, is equivalent to approximately one-third of the program enacted in Washington the same year for the entire nation.

In power development: The State Power Authority of New York has built more hydroelectric generating capacity on the Niagara and St. Lawrence Rivers in the past 10 years, with the funds of private bondholders, than all the hydroelectric dams of the TVA system.

In housing: While the federal housing program enacted by the Congress last year authorized the sum of \$5 billion, I recently proposed a New York State housing program which for New York City alone would involve the identical sum of \$5 billion—these funds to be supplied through the newly created State Housing Finance Agency at no cost to the taxpayers.

These statistics do suggest that the

role of the state, within American federalism, is far from "obsolete." It is as dynamic and promising as is the federal idea itself.

Something more than arithmetic attests the unique role of the state. It is dramatized by the whole sweep of our modern social history. Erroneously, this history has come to be exclusively associated, in the mind of a generation, with the New Deal. The historical fact is . . . that its major and most successful actions in social reform had been anticipated, by experiment and practice, on the state level or by private institutions.

The history of the years before 1932 tells this story plainly. Time and again, states like Massachusetts, Wisconsin, or New York acted on their own initiative to protect the health, safety, and welfare of the individual, while guarding his rights and broadening his opportunities in the nation's free economy. This was true of factory inspection or the limitation of hours of labor. It was true of child labor or women's labor. It was true of unemployment compensation and social security.* In all such cases, the ferment of ideas and innovations worked

*Factory inspection, Massachusetts, 1879; old age pensions, Alaska, 1915; child labor, Massachusetts, 1842; women's hour laws, 42 states by 1933; unemployment insurance began with private plans but reached fruition in Wisconsin Unemployment Compensation Act of 1932.

its way *up* through the federal system—often from private initiative.

It is also important to note, too, that those elements of the New Deal which failed were largely in areas *not* tested by prior experience at the state level.

The federal idea is not an excuse for keeping necessary things from being done. It is almost the exact opposite—a flexible and imaginative device to open not one but many avenues of political action for economic and social progress.

The essential supremacy of the people through their exercise of political power is, above all, vital to the life of the federal idea.

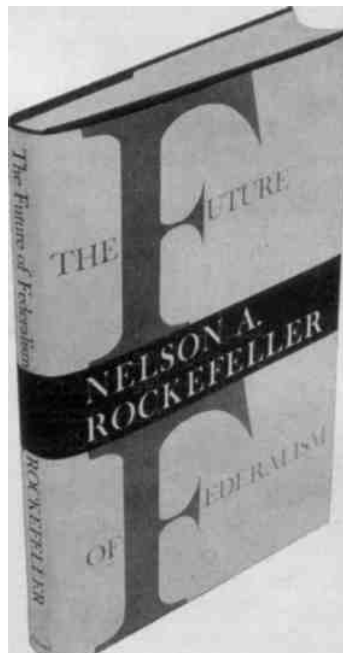
So close to the people, so interwoven with their deepest beliefs and their daily lives, is the federal concept that this concept is, in fact, conceivable and workable only when the people act as responsible individuals—as concerned citizens—and not merely as members of an economic class, ethnic group, religious faith, occupational calling, or private organization. The working of the federal idea, in short, depends upon the *whole* political environment, the full intellectual climate, the sum of the spirit and purposes of all citizenry, and their individual and collective sense of responsibility. This responsibility—I believe deeply—means political participation, not merely in voting, but in active working for one's party and in standing for public office. . .

What factors, then, tend to impair—the effectiveness of our federal system in theory?

In the political environment of today, I would mark three pervasive attitudes or tendencies as plainly damaging to our processes of government. The first is the scorn of scepticism toward practical, partisan politics. The second is an addiction to political labels and slogans, along lines loosely called "liberal" and "conservative." The third is a timidity of leadership that rarely glimpses the dawn of any new concepts—but passively awaits the high noon of crisis.

Political Aloofness

The aversion to the "rough-and-tumble," the public exposure, of partisan political life has choked off a vast amount of civic energy and creativity, precisely at the time in our history when such energy and creativity are most urgently needed. And the sources of this aversion go beyond the shallow attitude that shuns politics as "dirty."



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For a whole generation, now, this withdrawal has tended to be rationalized as something wise and discriminating. A great part of our youth has grown up to believe that political parties are cheap and shoddy instruments, that political life is either comic or corrupt, and that partisanship itself must be intellectually suspect.

I am not criticizing *active* intellectual independence or political mobility. The voter who splits his ticket—or who changes parties when he feels the candidates or the issues warrant it—is *adding* to the responsiveness and responsibility of *both* national parties.

But I do criticize political aloofness—based merely upon an overly fastidious distaste for partisanship itself.

No democracy, in short, can afford to view the political scene as a kind of spectator sport. . . . Our democracy needs to sharpen the debate between parties and within the parties. And this need is denied or evaded by a condescension and contempt for the political life, a preference for smug silence.

Political Labels

A second distortion of political reality ... is the obsession with political labels which results in the rigid classification of laws, leaders, and policies as "liberal" or "conservative." We all know that, in any serious historical sense, these terms have lost all meaning. The use of such artificial labels, in political debate, merely distorts the issue and confuses the citizen. It substitutes the slogan for thought, the false label for the serious goal.

Under the now-meaningless terms of "liberal" and "conservative," some would hold that economic policies welcomed by labor are "liberal," while those cheered by business are "conservative." Yet *all* progress for *all* sections of the community depends upon interrelated factors of economic growth.

When I took office as governor, there were 600,000 unemployed in the State of New York. Business had been leaving the state because of an unfavorable economic climate. And the outgoing administration left, as its fiscal heritage, budget requests calling for expenditures of \$2.3 billion, backed by revenue of only \$1.6 billion—a deficit of \$700 million.

To restore the state's fiscal integrity required cutting expenditures, instituting economies, and raising taxes. None of

these moves was popular, I can assure you. But the restoration of confidence in the state was fundamental to improving the climate for economic growth. And it set us on the road to expanding business and industry, rising employment, declining unemployment, and a far greater capacity to meet our social responsibilities as a state. As an example of this capacity, the state this year provided \$500 million more for education than when I took office—in other words, a 90 per cent increase in state aid to education in just four years.

Where—in all this brief history—does a policy or an act become "liberal" or "conservative"? According to these labels, action to improve the business climate is "conservative," and increased aid "to education is "liberal." The fact is that the implied distinction is false and deceiving.

Political Leadership

The power of the federal idea rests, in important part, upon the opportunity it gives for action. Yet there may be no limitation upon leadership of any kind so severe as the simple unwillingness to lead.

If a state government lacks the political courage to meet the needs of its people by using its own taxing power—if it prefers to escape by letting the national government do the taxing and then return the money to the state—the leadership of this state puts itself in an exceedingly poor position to weep over the growth of federal power. The preservation of states' *rights*—in short—depends upon the exercise of states' *responsibilities*.

The key to this exercise, obviously, is responsible leadership in the executive and legislative branches of government. It must have the vision to foresee and the courage to meet problems and challenges before they grow to the ugly size of crises.

We live in an age that, by its very pace of change, severely tests all capacity for such leadership. The challenges themselves come large, and they surge swiftly.

In such a time of rapid change, timidity in government only compounds the problems.

Yet few things may trouble [our American] destiny so much as a political disposition to confuse the *leading* of public opinion with the *reflecting* of it. We

have all witnessed, in recent years, the widening temptation to hinge political judgment on the techniques of marketing research—the polls and surveys supposedly measuring the public temper. Any leadership that is merely a creature of such devices is not even playing politics.

I do not believe that the public wants any such acquiescent leadership. It does not turn to leadership as to a mirror, to study its own reflection. It looks for a definition of, and a dedication to, those principles and policies which enable a free people to grow. I doubt if any democracy, without such vision and courage, without such leadership, can seriously expect to survive the mortal trials of our century.

To Sum Up

Let me summarize briefly:

The historic application of the federal idea—reconciling unity and diversity—■ is probably the supreme American contribution to the struggle of all self-governing peoples to build political structures strong enough to assure freedom and order in their lives.

Our own federal system provides a unique arena for imaginative and inventive action and leadership, responsive and responsible to the people.

The practical fulfillment of this promise in our political heritage depends critically, however, upon the health of the national economy, the momentum of our social progress, and the vitality of the whole political environment. This environment can be rendered cold and barren by a citizenry fearful of political partisanship, by a public or a leadership that prefers to deal with labels and slogans rather than real problems and needs, or by a leadership too timid to venture from seemingly safe paths of the past.

The truth, in short, is that the federal idea—like the whole American experience—is a political adventure. It is no static thing, no dead definition, no dogmatic proclamation. Old as it is in our history, its secret strength is that it forever summons a free people to learn and try the new. It requires us, I believe, to imitate its authors in only one respect: to be, like them, unchained to the past and unfearful of the future, to be—in our time as they were in theirs—political pioneers.