

Democracy and Capitalism

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There is something a bit disconcerting about responding to an essay that is itself, in a sense, its own response, being written as a conversation between Knight Abowitz and Boyles. I will therefore presume to simply join their conversation. As I sit down to write I am leaning heavily in the cynical direction, having just come from a conference on the future of teacher education in which the theme was repeatedly put forth that schools produce a product that is consumed by the businesses in the area, and that the job of universities is to make sure that the teachers whom we prepare are up to the task of adequate quality control. At the same time, I must be optimistic; how else could I teach? Like many others, I look to Dewey for resources in the effort to make schools agents of a democratic polity, not just a capitalist economy. While I find myself thinking with Boyles that politics and education have become totally corrupted by the distorting effects of money and power in an increasingly unregulated capitalist economy, I share Knight Abowitz's belief that it is not hopelessly so. One question that we need to ask is, how we can restore a balance between private and public goods?

One of the issues raised by Knight Abowitz and Boyles is the very relationship of public to private goods. The charge as it is usually put is that business pursues only private, not public, good. Knight Abowitz resists that generalization, at least in part on the pragmatic grounds that to believe this is to reach the point where inquiry ends, cultural criticism is ineffective, and citizen apathy is justified. I want to recast this slightly, first of all questioning Knight Abowitz's claim. I see no reason why any of this must — or is even likely to — follow from the claim that corporate decision makers pursue only private goods. It is certainly reasonable to believe that businesses so act, and for that reason turn to greater political involvement to limit their power. The premise of democracy is that a possible response to the corrupting power of money is for a public to form around a project of education for democratic citizenship. On this view, the failure of Harold Rugg's *Man and His Changing World* to survive attacks against it is a failure of progressives to operate effectively in the political arena. Understanding that businesses form partnerships with schools for their own, rather than for public, purposes can surely be a motivating factor in taking public action to return public schools to public purposes.

One response of a public so aroused and so motivated might be to adequately fund education. The current dependence of schools on school-business partnerships, rightly described by Boyles as relationships of unequal power, is often described as businesses "adopting" schools, which is necessary only in that they have been orphaned by the social system on which they ought to be able to depend. A decision to fund schools fully might make business-school partnerships more like true partnerships by making the schools less dependent on the arrangement.

However, the situation with school-business relationships is in some ways even more complicated than whether corporations ever serve public purposes. Much

depends here on what one means when one speaks of “the public good.” As used by Knight Abowitz and Boyles, it often seems to mean a unitary and universally understood entity rather than an idea that is itself highly contested. It is possible that corporations do work for the public good, as they conceive it. It is often the case that people who genuinely mean to work for the good of the public or the society have different ideas either about what the public good is or the best way to achieve it. On this view, the concern is not that corporate leaders pursue private rather than public goods, but that there is no publically arrived at conception of the public good to pursue; there are only private visions of public good. This, perhaps, is the true danger of what Knight Abowitz refers to as the cynical vision into which critique can sometimes descend: not that we will give up hope of shaping public policy, but that, if all public policy is merely a matter of power and not of concord, there is no reason to work to reach a consensus with those with whom I do not agree.

There is a larger question underlying Knight Abowitz and Boyles’s essay, to which I think they pay insufficient attention. Dewey’s question in the matter of vocational education and the relationship between democracy and capitalism in general is whether it is possible to have a democratic-capitalist society in which capitalism serves democracy and not the other way around. As Boyles points out, the problems Dewey faced and wrote about are similar to the ones that we face. When Dewey wrote *Democracy and Education* and *The Public and Its Problems*, the educational-economic problem with which he was dealing with was how to prepare for citizenship in a society in which corporations had become so powerful that no state could regulate their activity. Corporations had grown beyond democratic control as it was then conceived, that is, beyond democratic governance in which power rested with the states rather than with the national government. Putting a Deweyan spin on the New Deal, its legislation, which finally forced the Supreme Court to reinterpret the Fourteenth Amendment as granting broader regulatory powers to the Federal Government than had hitherto been allowed, was an experiment in democratic governance. The system created by the Constitution, in which the preponderance of power was vested in the states, was no longer sufficient to the problems of the Twentieth Century. The New Deal was an experiment in which the locus of power was resituated in order to bring nationalized corporations back within a democratic regime.

The situation today, however, is in at least one fundamental way radically different: the national corporations have once again grown in size, power, and scope. They are no longer national at all, but international. As was the case in the early Twentieth Century, this has put corporate capitalism beyond the scope of democratic scrutiny and control. It is a commonplace that, just as fair labor policies, just taxes, and responsible environmental legislation in one state previously prompted corporations to move to states with a more “pro business climate,” so now, where national policies require living wages for workers, progressive taxes, and responsible environmental legislation, corporations, responsive to the bottom line, relocate to nations where they are not so constrained.

This is not to suggest that there are no exceptions, no corporate “good citizens.” It is to point out that companies such as Patagonia, Walden Mills, and Ben and

Jerry's are indeed exceptions, whose commitment to something beyond the bottom line is made possible by the fact that they are governed by CEO-owners with a commitment to a common good. Part of the problem is that corporate America is not really governed by individuals at all but by the impersonal logic of the market. Publically traded companies do not answer to their CEOs or to their individual plant managers so much as to the demands of the stock market for profit, growth, and dividends. Failure to meet investor expectations threatens both individual careers and corporate existence.¹ The question becomes not whether corporations ever act in the public interest (as a rule, they probably do not, though the public may benefit from their activities); the question, as implied by Boyles's discussion of the inequalities inherent in school-business "partnerships," is how do we make corporate actions *accountable* to the public, for the essence of democracy is not whether the public benefits from X's action, but whether X is accountable to the polity. And the logic of the polity, at least the Deweyan polity, is that the common good is commonly defined and commonly pursued. This just is not the same as holding corporations accountable only through the market, which is a medium of individual, not communal, decision making aggregated, not mediated, and directed by individual, not public, visions of the good. When corporate actors stand beyond democratic supervision, democracy is threatened even if the companies decide, individually, to contribute to the common good.

The issues raised by Knight Abowitz and Boyles are important to consider as we enter the twenty-first century with corporate globalization accelerating. What would democratic education look like in this new world? What are the steps that will reassert democratic control, even nominally, over corporate actions? And, finally, what role will schools and teachers play in this transformative experiment? As control was moved from state to national government in the New Deal era, today's challenge will be to move to some sort of international democratic polity. Only space limitations prevent me from offering a more definitive solution to this problem.

1. Robert Jackall, *Moral Mazes: The World of Corporate Managers* (New York: Oxford University Press, 1989).