THE CULTURE OF CONTENTMENT

by John Kenneth Galbraith


Among the more perplexing questions being subjected to intensive debate currently, especially within the liberal and Left communities are: Why is America’s poverty so intractable despite the growing wealth of the country? Why does our budget deficit remain so impervious to reduction? Why has the U.S. slipped from being the leading creditor nation to the number one debtor? What is the real reason that monetary policy has so eclipsed fiscal policy as the key macro tool of U.S. economic policy? There has never been any shortage of answers to these often paradoxical questions but because the answers offered are usually particularistic in nature, they fail to provide a perspective on systemic malfunctions and therefore are of limited persuasive force.

In his most recent foray into the workings of American society, John Kenneth Galbraith, one of our foremost social critics and the irreverent guru of political economy, has elaborated a highly insightful formulation of the politico-economic dynamic that currently drives U.S. society, and in doing so he goes far toward providing answers to these and other contemporary queries about the functioning of the U.S. economy.

Dr. Galbraith builds his formulation around the observation that a majority of the U.S. voting population has now achieved a level of income such that preservation of its comfortable position has become its top priority. He describes this phenomenon as the emergence of a “culture of contentment,” and argues that it sharply differentiates the political economy of today’s America from that which has characterized American society in the past.

This is a relatively recent and perhaps uniquely American development, and it exists in large part because of the shrunken percentage of the U.S. electorate that actually chooses to exercise its vote. These voters are clustered toward the upper end of the income range and although the “culture
of contentment” includes many two-wage-earner families who may receive fairly modest individual salaries, the group as a whole enjoys a level of comfort such that its members are wont to make common cause with those enjoying higher incomes rather than with those receiving lesser incomes. They will, for example, refrain from supporting higher taxes on the wealthiest 20 per cent of the population (who receive 51.8 per cent of all income before taxes) in solidarity with the super rich against the common enemy: higher taxes for all.

The GOP attracts a somewhat higher income range than do the Democrats, but the bulk of Democratic voters have also attained income levels that place them in the contentment category. Thus, while they may articulate programs for poverty alleviation, the Democrats’ voting constituency is hardly more inclined to spend money for social programs than is the GOP’s. The contented majority (of those who vote) are thus innately conservative and opposed to all measures that are likely to threaten their comfort level. The most immediate of such threats are the costly programs being endlessly proposed for ameliorating the conditions of those in poverty or for improving the public education system.

There are, of course, a number of heavy budgetary items which the “culture of contentment” vigorously supports because its constituents greatly benefit therefrom: “the non-means tested welfare-type programs such as Social Security, Medicare and farm subsidies; defense spending; interest on the public debt; the bailout of the Savings and Loan industry. Indeed, these latter items comprise the vast bulk of the federal budget, and are the visible causes of the intransigence of the budget deficit. Given the votes wielded by the contented majority, it’s easily predictable as to what programs will regularly win out in the competition for scarce budget resources.”

Like all developed societies, America has always been highly dependent on an underclass which performs society’s dirty but necessary jobs. In postemancipation America, this class has tended to experience fairly rapid turnover, generally moving up and out within a generation, to be replaced by a new wave of immigrants or urbanized ex-sharecroppers. This dynamic has been drastically impeded during the past twenty years as the growth of the U.S. economy has experienced prolonged stagnation, and the underclass has become a semipermanent rather than a generational phenomenon. The ghetto has thus become a place of growing social disorder, crime and conflict. This is, to be sure, a smoldering threat to the “culture of contentment,” but since defusing it would require vast sums of money, the response has been to put bars on the windows and try to ignore it, in keeping with a very human tendency to prefer cheaper, short-run solutions over longer term, more costly approaches to problem solving.

Yet another manifestation of the “culture of contentment” has been a strong preference for using monetary rather than fiscal policy for fighting