Preface

A bit of personal serendipity nearly three decades ago inspired this book. In 1971 I visited Washington, D.C., and happened upon an artifact of the American Century that has stayed in my mind ever since. It was the so-called GNP clock, and the story behind it fascinated me.

The GNP clock was an appropriately outsized toteboard full of lights and numbers that the Department of Commerce had constructed to keep track of the nation's economic growth. The aim was to record and publicize the point at which the U.S. economy achieved a rate of growth that would, if continued for one year, yield a $1 trillion gross national product.[1] At the appropriate moment, all the bells and whistles of the Nixon administration's public relations machinery would announce to the world yet another milestone in the progress of the world's richest economy.

By prearrangement, the numbers on the board were to flash the $1 trillion figure at noon on a winter's day late in 1970, at which time President Richard Nixon would usher in the economic millennium with a few celebratory remarks. Alas, the president's arrival was delayed. Mild panic set in as technicians scrambled madly to turn the machine back. But the board seemed to take on a life of its own, and despite their best efforts it flashed the $1 trillion figure at 12:02. By the time Nixon finally arrived at 12:07, $2.3 million more had been added as the machine began calculating the GNP at a wildly accelerating rate.[2] Some Americans, less enamored of economic growth than the Republican president, saw this victory of machine over man and of matter over mind as ominously symbolic.

In outline, the story of the GNP clock seemed to feed all of my prejudices. At the time, I felt a left liberal's powerful antipathy toward Nixon, whom I and my friends called the Trickster even before Watergate; and reflecting my graduate student penury and the influence of counterculture values on even an aspiring middle-class professional, I embraced a weak but exceptionally smug antimaterialism that held in contempt not my own quite strong desire for acquisition but rather my culture's somewhat more abstract (but still indisputably real) and surely less refined materialism. All in all, the GNP clock story struck me at the time as an apt metaphor for economic growth, materialism, and technology all run amok.

It was only years later, when I read the full text of Richard Nixon's remarks on that occasion, that I came to suspect that perhaps the GNP clock episode expressed something more complicated—and more interesting—than the rather arch morality play I had first envisioned. In the land where, John Kenneth Galbraith had sworn just a decade earlier, the cult of production held absolute sway, Nixon's remarks sounded a strangely defensive note: "I think that rather than apologizing for our great, strong, private enterprise economy, we should recognize that we are very fortunate to have it." "Don't look at it," he urged, "simply in terms of a great group of selfish people, money grubbing." The real significance of the trillion-dollar achievement, he stressed, was not production for its own sake but rather what an economy of that size and strength made possible. Plans for improving the income, health, education, and housing of America's poor and middle classes were fanciful unless backed by such productive capacity: "Unless we produce the wealth, all of those great dreams, those idealistic plans for doing things for people, aren't going to mean anything at all." Nixon stood for growth, defiantly but not mindlessly. Here, at what had appeared at first blush to be little more than a civic celebration of Mammon, Nixon gave thanks that "as a result of our moving forward on the economic side . . . we can now turn more to the quality of life and not just to its quantity."[3] Reading Nixon's speech after the fact, it occurred to me that perhaps America's embrace of economic growth had been more complex, more nuanced, more ambiguous, and perhaps even more ambivalent, than either contemporaries or historians have generally recognized. The chapters that follow explore that possibility.

This book, then, is about how the pursuit of economic growth came to become a central and defining feature of U.S. public policy in the half-century after the end of World War II. Commentators in the 1950s coined the term "growthmanship" to describe the seemingly single-minded pursuit of exuberant economic growth that was then appearing to dominate the political agenda and the public dialogue throughout the Western industrialized world, nowhere more dramatically than in that bastion of materialistic excess, the United States. I examine the origins of the postwar embrace of growth and trace how that initial growthmanship evolved over time.

Over the last half of the twentieth century, American political leaders, policymakers, and intellectuals created a succession of growth regimes, all of which emphasized growth both as an end in itself and, more important, as a vehicle for achieving a striking variety of other, ideological goals as well. In one regard, I follow the lead of many observers in seeing the pursuit of growth as a time-honored way of avoiding hard questions and evading tough decisions about the distribution of wealth and power in America. At the same time, however, I depart from the view that Americans in the postwar era "substituted economic performance for political ideology."[4] Rather, I contend that growth did not suspend or supersede ideological conflict so much as embody and express it. The political economy of growth became an important arena for ideological expression and conflict in the postwar era; throughout, ideology shaped conceptions of growth, while, at the same time, growth itself influenced ideology. As a result of this interpenetration, economic growth over time emerged as a much more complex and heavily freighted phenomenon than the rhetoric of many of its champions and most of its detractors allowed. It is my intention to make that complexity both more discernible and more comprehensible.

Of course, I do not mean to suggest that it was only in the postwar era that growth came to be recognized or valued. Economists since Adam Smith have long recognized the importance of growth for a rising standard of living; Smith himself wrote in 1776 that "it is not the actual greatness of national wealth, but its continued increase, which occasions a rise in the wages of labor."[5] From the time of Alexander Hamilton's Report on Manufactures in 1791 and its gradual implementation in the early nineteenth century, the federal government used land and trade policies to encourage national development. Similarly, fears about the end of growth or about limits to growth, usually expressed as anxiety regarding the disappearance of the frontier, became a staple of American discourse as early as the 1880s.[6]

What made the postwar pursuit of growth distinctively modern was the availability of new state powers and means of macroeconomic management dedicated to achieving growth that was more exuberant, more continuous and constant, more aggregately quantifiable, and also more precisely measured than ever before. Perhaps we can best appreciate what made postwar growthmanship distinctive by looking at the context from which it emerged, for it was the ambivalence of New Deal economic policy that made the subsequent emergence of growthmanship seem like a striking departure.