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BEYOND FISCAL TRIAGE

From a psychohistorical perspective, policies of the United States government (such as the dismantling of public assistance) have the character of an attack on women and children. Racism plays a further role since the American public imagines welfare mothers and children to be black (the majority are actually white). A recent article in the *New York Times Magazine* ("Schools Are Not The Answer," 1/16/00) provides an ideological justification for sacrificing public education next. The same contempt for children and African-Americans will probably play a role here too.

I would like to use the term "fiscal triage" to help understand what is going on here. The political process pits some human needs against others on the assumption that something must be sacrificed on the altar of fiscal austerity. In the abovementioned *New York Times* article, for example, author James Traub pits comprehensive pre-school programs against smaller class sizes in schools and argues that the former have a better claim on scarce tax revenues.

According to Traub, the daily experience of failure in ghetto families and neighborhoods overwhelms the effects of even the best schools. Although pre-school programs reach further into the family, Traub admits they will not transform the inner city environment, which is the root of the problem. Such a transformation would require jobs programs, housing, health care and a 'living wage', proposals that remain "on the fringes of political discourse" in an era of fiscal triage. I would add adequate municipal services to the above list (see [A Plague on Your Houses](#) by Deborah and Rodrick Wallace).

Attitudes towards women, children, and blacks do not adequately explain fiscal triage. There is a political-economy perspective that must be considered, as well as additional psychohistorical factors. The apparent scarcity that drives fiscal triage has two sources in the system of political economy:

- (1) a colossal misuse of existing federal and state tax revenues; and,
- (2) extraordinary concentrations of wealth in the hands of relatively few individuals and corporations.

The United States is currently spending more than 19 times as much on military forces as our seven most likely adversaries combined. State governments spend billions of dollars annually to incarcerate non-violent offenders who could be sentenced to much cheaper and more effective programs than prison. Why do such redundant levels of government spend-

ing require no justification, while smaller class sizes – which are known to be effective – must be proven more effective than other needed programs? Simply asking this question reveals that military and police power – not public assistance and education – are the real sacred cows of American politics.

The political power of concentrated wealth further militates against the eradication of poverty. The normal operation of a market economy gives rise to such concentration. But as any player of the board game "Monopoly" knows, one person's spending is another's income and this circular flow breaks down if wealth becomes too concentrated. When you play "Monopoly," such breakdown brings the game to an end. If you want to play another game, you need to redistribute the wealth and start over. A similar phenomenon occurs in history in the so-called Kondratieff wave – a fifty-year cycle ending in a major depression, after which a wave of bankruptcies clears the way for a new cycle. The Great Depression of the 1930's represented the end of such a wave and the New Deal facilitated the redistribution of wealth needed for market capitalism to continue. The next wave ended around 1980 and would have resulted in another depression except for two factors:

- (1) an ongoing redistribution of wealth by the welfare state; and
- (2) a massive infusion of foreign capital into the US economy during the 1980s.

By the 1990's, the US was in the upward phase of the next Kondratieff cycle (which helps explain popular support for President Clinton, notwithstanding fierce opposition from the "elite"). But there was no movement to redistribute wealth in the '80s and '90s comparable to the socialist and communist movements of the '30s and '40s. The reason for this is, apparently, the discrediting of Marxism with the failure of the Soviet system with the transformation of the Chinese system into a kind of state capitalism. In the present ideological climate, it is hard to envision a viable alternative to global capitalism and the concentration of wealth it creates.

This analysis of political economy suggests further psychohistorical factors associated with fiscal triage. The prison industrial complex again raises the issue of racism. The worship of military power in the United States must be understood in terms of machismo and violence. Machismo is associated with our system of assigning the care of male and female infants to women. After learning to identify with their mothers, boys are required to renounce and repress this iden-

tification in order to live up to the macho ideal. The feminist psychoanalytic theories of Dorothy Dinnerstein and Nancy Chodorow have continued relevance here, as well as a more recent book by Myriam Miedzian, **Boys Will Be Boys: Breaking the Link Between Masculinity and Violence.** Increased paternal involvement in infant care, it is claimed, can help transform our culture into a more androgynous and less militaristic direction.

The fascination with violence also has roots in the early experience of violence, both in traumatic child rearing and the birth trauma. The healing of such early trauma makes a further and necessary contribution to creating a humane and peace-oriented culture. Such healing – promoted by psychoanalysis as well as such practices as Primal Therapy and Transcendental Meditation – also helps overcome the above-mentioned contempt for children associated with fiscal triage, as well as the splitting off and projection of psychic contents at the basis of racism.

A final psychohistorical factor is the psychology of wealth accumulation. Some rich people – a minority of their class – live modestly, invest their wealth in a socially responsible manner and donate money to politically progressive causes. Such people are doing their part to bring about social change. Much more typical is the pattern of conspicuous consumption, rapacious investment and political conservatism. Such compulsive consumption and accumulation of wealth must be understood as a disorder (if one applies a developmental unfolding of Maslow's hierarchy of needs), the rectification of this disorder being a prime criterion of healing.

What is the political alternative to fiscal triage? A movement is needed to massively redeploy revenues from the Pentagon and prisons – which are funded far in excess of need – to inner city schools, pre-school programs and neighborhoods. A bold program of tax reform, including a more progressive tax structure and guaranteed annual income, is also necessary to eradicate poverty.

To be sure, public revenues will continue to be limited and alternative policies will continue to compete for these limited tax dollars, even in an enlightened society. However, there is a fundamental difference in spirit between a society that is applying all of its available resources to eradicating poverty and developing its people and a society that is sacrificing some of its people on the altars of militarism, sexism and racism.

Further, a society investing all available resources in its human and social "capital" will continually expand its productive capacity without limit, enabling it to satisfy an ever-expanding range of unmet needs. This future-beyond-fiscal-triage that I envision will require a revolution in consciousness. That revolution, I would argue, should be the highest and most important goal of psychohistory.

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