

The Politics of

BY DANIEL H. PINK

American election years have started to resemble Chinese New Years: Each one comes with its own living symbol. Nineteen ninety-four, recall, was the Year of the Angry White Male. Nineteen ninety-six, the Year of the Soccer Mom.

And 2000?

The answer to that political riddle may lie in one subsequent fate of the 1990's last two election-year icons. Like millions of other Americans, legions of angry white males and harried soccer moms have become free agents. They have abandoned traditional jobs and traditional relationships with employers to chart their own course. They are moving from assignment to assignment, project to project, unattached to any single employer, untethered to any large institution. Their ranks include freelancers, independent contractors, temps, self-employed Americans, and home-based entrepreneurs. Some, fed up with office politics and glass ceilings, have leapt. Others, rocked by corporate downsizing, have been pushed. But they've all landed in the same place — the uncharted territory of Free Agent Nation.

The government's statistical apparatus can't tell you how many Americans have become free agents. (No surprise really. A century after the United States ceased being a predominantly agricultural economy, federal bean counters still divide work into two categories: "farm" and "non-farm.") But the U.S. Bureau of Labor Statistics says that nine million Americans call themselves independent contractors, some 2.8 million Americans go to work each day as temps, roughly 15 million people are self-employed full-time, another two million are self-employed on the side, and nobody's sure how many free agents are operating in the informal, cash economy.

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Free Agents

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It is perhaps one of the more fundamental economic change of our times. Yet, it is somehow also one of the less heralded. Well beneath the radar of the political and media elite, tens of millions of Americans — by some estimates, a full one-fourth of the nation's workforce — have declared free agency.

If free agency is a reality in America's economic life, then it will fast become a reality in America's political life. In fact, this group's initial show of force may come in the first elections of the next century — marking 2000 as the Year of the Free Agent and recasting the principles and practices of American politics well beyond.

The New Math of the New Economy

Begin with the numbers. The U.S. Senate Small Business Committee estimates that the number of self-employed Americans, a subset of free agents, totals between 22 and 25 million. Working Today, a New York-based advocacy group for independent professionals, puts the free agent figure at about 30 percent of the American workforce. That's the same portion that the Economic Policy Institute says is in "nontraditional work." According to the Bureau of Labor Statistic's July employment report, 30 percent of the workforce amounts to 39.3 million people.

Let's use a far more conservative figure: 25 million people. Although the precise arithmetic of free agency is a bit murky, the electoral math of even that cautious estimate is crystal-clear.

Twenty-five million people means that free agents outnumber all the Americans who work for federal, state, and local governments combined; the population of Free Agent Nation exceeds the population of the entire public sector. And because the U.S. labor force has contained more government workers than manufacturing workers since mid-1991, Free Agent Nation is also larger than the manufacturing sector by nearly seven million people.

But perhaps most significant in political terms is this: The American economy has about 50 percent more free agents than it does members of labor unions. Last year, even amid a booming economy and a spirited AFL-CIO organizing effort, union membership dropped — to 16.1 million people. Separate out the 6.7 million public employees, and the figures are even more striking. Last year, fewer than one in ten workers in America's \$6.9 trillion private economy belonged to labor unions. Put it more starkly: Today, America Online has more members than all the nation's private sector labor unions combined.

These figures suggest that in terms of sheer numbers, free agents (25 million and growing) are at least as relevant as organized labor (16 million and shrinking). Meanwhile, the union downswing has not loosed a corresponding upswing in favor of big business or corporate America. As Alan Wolfe notes in *One Nation, After All*, his perceptive study of American values in the 1990s, "If middle class Americans can be described as indifferent to unions, they are also increasingly hostile to corporations." Besides, the *Fortune 500* today employ a smaller portion of the workforce than at any time in the history of that once august list.

Free agency links Americans who might otherwise *not have a common bond* — the proprietor of a home-based child care business, the itinerant construction worker, the downsized manager-turned-consultant, the GenX freelance web designer, and the mom who temps part-time. In the course of reporting and writing about this phenomenon, I've interviewed free agents from Harlem to Silicon Valley. It's an economic form that spans class and race, even if the forces that propel people into Free Agent Nation may differ significantly. Free agency is also especially prominent among women — who are generally more likely to experience both dissatisfaction and outright discrimination in the workplace, and who continue to shoulder the heavier load of family responsibilities.

However, recognizing the existence of free agents is merely the prelude. To win their allegiance, politicians must understand that free agents think and behave differently from any other group they've encountered.

Premises, Premises: The Foundation of a New Political Strategy

In politics, the only things more important than promises are premises. Set the terms of the debate, and you control the debate. An example: Once most people

The way to prevail in the war of ideas is to win the silent and unannounced battle over premises.

Which leads back to free agency. Free agents are reconfiguring many of the standard assumptions of American work and life. It's here that free agency may leave its most lasting imprint. And it's here, in the realm of premises and values, that politicians face their gravest dangers and greatest opportunities. Oblivious pols risk sounding off-key, or even downright hostile, to huge numbers of citizens. Savvy ones creep closer to bagging America's new electoral trophy.



Two examples illustrate the premises point: Loyalty and security, a pair of values being redefined as more Americans migrate away from traditional jobs.

For much of this century, work in America was governed by an unspoken, yet unassailable, social contract: In exchange for security from employers, employees gave loyalty to employers. "Be loyal to the company," William Whyte wrote in *The Organization Man* (1956), "and the company will be loyal to you." But in the last decade that bargain has crumbled. Few companies promise lifetime employment; fewer still deliver it. Consequently, individuals no longer pledge unflagging fealty in return.

agreed that the budget deficit was the most pressing national concern, every action or inaction began with that unquestioned assumption. Fierce opponents of federal spending said the deficit meant we could spend nothing. Ardent supporters of federal spending said we could spend just a little. Since they left from the same subway station on the same line, political adversaries arrived at merely different exits of the same stop. Not, as a fiscally responsible Seinfeld might say, that there's anything wrong with it. But the larger lesson is crucial:

That has prompted weepy eulogies from both the right and the left lamenting the demise of this American value. But in Free Agent Nation, loyalty isn't dead; it's different. When the tides of global competition and new technologies washed away lifetime job security, loyalty didn't disappear in the undertow. Instead, a new kind of loyalty began emerging. It's not the hierarchical loyalty of old, which flowed up to an institution or authority figure — and then back down to the giver. It's



lateral loyalty, a fierce commitment that bonds together peers, collaborators, and families.

Security, another national premise, has followed a similar pattern. Security once meant attaching oneself to a large institution for most of one's adult life. But even Americans who haven't declared free agency understand that today such a strategy is outdated, if not dangerous. Instead, as the middle class grows more sophisticated about investing, free agents are approaching their work lives in much the same way they approach their financial lives. They are diversifying. Nobody would invest all of her financial capital in IBM. Why should she invest all her human capital in IBM? Free agents are discovering they are more secure with several clients than with one employer.

These recast premises have already offered hints of a political strategy that speaks to free agents. For example, policies that foster lateral loyalty have proved wildly popular. President Clinton's very first legislative triumph, the Family and Medical Leave Act, put the

force of the federal government behind the belief that a person's loyalty to family was, in a moment of need, more important than loyalty to an employer. By contrast, politicians who railed against corporate downsizing or who preached "corporate responsibility" did not capture the public imagination. One reason: Their complaints, however well intentioned, were based on an outdated premise about loyalty. They assumed both the existence and beneficence of hierarchical loyalty. They failed to comprehend that this brand of loyalty, and the paternalistic arrangements on which it was based, had largely disappeared — both as a reality and as an aspiration. Their crusade was analogous to a politician proposing the Great Society during the days of yawning budget deficits. A lovely sentiment maybe — but one that was wholly unrealistic and mostly unwanted.

Ditto for security. In 1994 some Clintonites advocated using "security" as the organizing principle for Democratic policies. The idea flopped. Voters understood that this sort of pledge amounted to an empty promise in a world where security had acquired a fundamentally different meaning.

The New Premises

The lesson for political strategists? Abandon appeals based on these outdated premises — and craft a new strategy around their successors, the three animating values of free agency: opportunity, mobility, and community.

Opportunity. In a world of free agency, government's duty is to offer not a false promise of security, but a real shot at opportunity. Its central mission must be to equip all individuals, especially the least well-off, with the tools they need to make their own way. The most important component of this commitment, of course, is education — childhood, college, and professional learning fashioned to the individual rather than standardized by a bureaucracy. Access to technology is also vital — but far less so than broadening access to the information that technology can harvest. For free agents, government can expand opportunity more by

supplying information than by delivering services. Remember: From Census data to car safety ratings to the reports of the National Weather Service, hundreds of billions of private dollars already hinge on the information (sometimes reliable, sometimes not) that federal agencies produce. Improving the quality of that information and enlarging its scope — for example, lists of the skills most in demand in particular regions, cost comparisons for health insurance, report cards on temp agencies — can help free agents succeed. And it may be advisable to consider how to deal with companies that take the low road and reclassify employees as contractors merely to cut costs. Some of the most effective labor unions have already begun shifting their focus from security to opportunity. For instance, instead of negotiating long-term collective bargaining agreements with a single employer, the theatrical unions help sound and stage technicians find their next assignment, evaluate potential employers, and sharpen their skills. These are the models political strategists should examine.

Mobility. Government's duty is not to re-cement the old dependence, but to help foster a new mobility — to create the conditions that allow individuals to move freely and make their own decisions about their work lives.

This requires calling into question one of the sturdiest assumptions of American life: the idea that benefits like health insurance and pensions ought to be attached to an Industrial Age construct known as a "job." Instead, such benefits should be linked to the individual. People use health care coverage as people, not as jobholders — and since fewer people now are jobholders anyway, that system makes even less sense than before.

There is a hearty pragmatism in Free Agent Nation; the underlying ideology of a policy is far less important than its effectiveness. So free agent voters would be open both to, say, expanding Medicare to cover free agents and to making Medical Savings Accounts a more attractive choice for middle-class families. They

would support a pension policy that both strengthened Social Security and created individual accounts. And a workforce policy premised on mobility would include vouchers for training and tax deductions for education on a far greater scale than the Clinton administration has already engineered.

Community. Free Agent Nation may value individual self-reliance, but the place is far from a libertarian free-for-all. Indeed, Tocquevillian intermediate institutions are more crucial to free agents than they were to the Organization Man. Professional and civic associations are growing stronger as people seek the connection they once had at traditional jobs. Free Agent Nation itself is coming together in small clusters — call them F.A.N. Clubs — to offer business advice and emotional support. And with more people working at home, neighborhoods that once were all but abandoned during the day are growing more vibrant. (A political cautionary tale: Last year when a Los Angeles City Council woman tried to force the city's home-based workers to buy business permits, both free agents and their jobholding neighbors rose up to repeal the proposal and effectively end her career.) Free agents have not rejected community; in fact, they seek it more fervently. Government policies that fortify these new communities will work well in Free Agent Nation.

Free agency is reshaping other premises of American work and life, and these subterranean shifts suggest many other reforms in public policy, particularly in the realm of tax policy. To render solutions that matter in people's lives — and to win the political rewards for doing so — leaders must learn the language and internalize the values of free agency. But that's still not enough; any political strategy aimed at this new group of voters, however well crafted, comes with an important caveat.

Caveat Caesar: The Just-in-Time Politics of Free Agent Nation

It is a mistake to think of free agents as a constituency. They play politics by a new set of rules. And these

rules, which have already begun to take hold, draw their inspiration from a relatively recent innovation in American business.

Over the last fifteen years, American manufacturing has rehabilitated itself, in part, through a practice known as just-in-time manufacturing. Under the previous regimen, factories cranked out items and stored them in warehouses. If companies miscalculated demand, or if the overall economy weakened, they were stuck with huge inventories of unsold goods. Just-in-time manufacturing called for swift production lines and lean inventories. That reduced costs and allowed the type of customization of products well known to anyone who has bought a computer from Gateway, Dell, or a similar outfit.

Free agency is, in effect, a form of just-in-time staffing. Companies hire the person they need for the project at hand — no more, no less. Individuals take on an assignment of finite duration; their obligation is to perform a particular role as expertly as possible and move on to the next one.

The political world — most often a lagging indicator of innovation — is also morphing toward this form. In an era where there are small inventories of party loyalty, effective politicians must fashion coalitions in much the same way that Gateway fashions computers. Call it just-in-time politics.

Just-in-time politics operates differently from the warehouse politics of the old economy. In the past, one of the main tasks of politics was to keep a single coalition intact — in a sense, to establish a more or less stable inventory that could satisfy any political demand that arose. Time and again, the Democrats' New Deal coalition of union members, minorities, and senior citizens passed legislation and won elections. No more. With party affiliation waning and the once exotic split-ticket voter now a common species, the modern challenge is to assemble the available components to satisfy the current political demand, to do it in real time, and to move on to the next task.

President Clinton has proved to be a master of just-in-time politics, though he has never assigned it that name. In the summer of 1993, he passed major deficit reduction with an entirely Democratic coalition. A few months later, he put together a radically different coalition to expand trade with the North American Free Trade Agreement. He raised the minimum wage by assembling one set of political parts and reformed welfare by cobbling together another — all within the same month in 1996.

Most political commentators took the nail-biting finishes of some of those fights as a sign of President Clinton's political weakness. Instead, it was merely evidence of a new kind of politics — and if anything, proof that this President had mastered it. The nay-saying commentary was akin to a securities analyst, who upon learning that Dell carries only eight days worth of inventory, declared such information a sign of the company's weakness rather than what it really is — a new way of doing business.

Free agents understand the just-in-time features of the economy. They will demand a just-in-time politics. If a party attempts to warehouse them, they will resist. For political forces, this means acknowledging that a huge portion of the electorate is permanently and regularly up for grabs. Politicians must earn their support issue by issue, candidate by candidate, election by election. It's possible for a politician who respects free agents' values, understands their premises, speaks their language, and develops approaches that promote opportunity, mobility, and community to begin to harness this political force.

But while it's possible to win free agents' momentary affection, it's probably very difficult to win their undying love. After all, as consumers, they look for the best deal. As workers, they search for the best assignment. And as voters, they are very likely to be in constant search of the best leader — in 2000 and beyond. ♦

Land and Daughter

The Son Also Rises

BY ANDREI CHERNY

Mondale, Cuomo, Ford, Bayh, Kennedy. The names could be the answers to a quiz on "20th Century Political History." But, the politicians who bear these names are very much a part of "Current Events." For the inheritors of those names of Democratic Party titans have also inherited the responsibility of thinking anew about the challenges of a fast-changing world.



Kathleen Kennedy Townsend

Ted Mondale, Andrew Cuomo, Harold Ford, Jr., Evan Bayh and Kathleen Kennedy Townsend. Just as their fathers were before them, they are part of a new generation of leaders defining the Democratic Party for their own time. They still share the compassion and overall goals long associated with their party. But they are among the growing ranks of politicians choosing what can at times be very different means to achieve those ends.

It does an obvious disservice to reduce their work to any single aspect of their careers, but if one connects the dots of Mondale's desire to move beyond interest group politics, Cuomo's drive to make

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