

## Man with his work cut out

By Noel Pearson  
*The Australian*  
8 November 2008

***IN ordinary times, just the election of the first African-American president of the US would be greatness and history enough. But these are not normal times. No one can know in advance whether the hour and the man are met in the person of Barack Hussein Obama.***

Great expectations centre on what Obama will mean for race in America's future.

African-American intellectual Shelby Steele was wrong about Obama's capacity to manage the politics of race in his path to the presidency. But he was right that racism is not the insuperable barrier the victim leadership among blacks and liberal whites have for too long made it out to be. While Steele's political analysis was faulty, his analysis of the psychology of race remains true.

Steele speaks of two masking strategies undertaken by blacks in the US to make their way as a minority in a world controlled by the white majority: challenging and bargaining. Challengers are people such as Jesse Jackson, who challenge discrimination and racialism in the majority. Prior to the achievement of civil rights, challengers had a long and rich pedigree stretching back from Martin Luther King back to W.E.B. DuBois and anti-slavery campaigner Frederick Douglas.

Steele does not completely decry challenging: in the era of segregation and prior to civil rights, it was indeed imperative. Steele's thesis is, however, that in the post-civil rights period challenging became the predominant method of a new victim leadership that challenged white America, and extracted (Steele's word is extorted) concessions on the basis of their guilt, for the past and for continuing prejudice.

White guilt became a source of social leverage for too many black leaders.

Obama, like a pantheon of successful African-Americans from Sidney Poitier to Oprah Winfrey, makes a bargain with white America: "I won't hold your history of racism against you if you don't use my race against me." The bargainer also has a long lineage in American history, exemplified by Booker T. Washington. In the era of segregation the bargainer's popular characterisation was the derogatory Uncle Tom. In the post-civil rights era, bargaining became respectable.

Is there any alternative to this terrible binary for black Americans? Or black Australians for that matter?

Put aside millennial hopes that Obama will achieve a post-racial America or some other form of race transcendence. Rather, Obama can achieve an apex within Steele's

dialectical paradigm: a position where blacks and whites take responsibility for race. For both the emphases of responsibility will be different. For whites to take responsibility, they must not dismiss racialism as a real social evil, and they must understand that past discrimination left a legacy. For blacks to take responsibility, they must wake up to the fact that racism does not present the kind of barriers to full citizenship that it once represented and that it is not a catch-all explanation for all of their problems. And critically, problems of race -- however real they may be -- must not justify a psychology and politics of victimhood.

The leader that achieves this apex of responsibility concerning race will be one who both challenges and bargains. Obama has used both during the course of his campaign. While he was predominantly the bargainer, there were also indications of his inclination to challenge. Obama will achieve great things for racial politics if he fashions a post-victimhood challenge for whites and blacks (we can and will all live up to our creed) and a post-victimhood bargain (blacks can take a fair place in America without needing white guilt).

Beyond the question of race, there are three domestic policy agendas that confront the US in this time of crisis, to which Obama must forge solutions: the problem of the American underclasses; the problem of the American working poor; and the need for a national gain-sharing deal between those who take the upside and those who wear the downside of globalisation.

There is already precedent that the first challenge is amenable to solutions, and much progress has already been made. A decade after the welfare reforms introduced by Bill Clinton in 1996 and those prescriptions falling under the policy rubric of the "new paternalism" -- mandating personal responsibility and matching it with new opportunity -- the way forward is clear for the new president-elect. He must redouble these efforts. He must break through on the kind of education reforms that were intended but not achieved by Bush's No Child Left Behind policy. If he is to succeed, he must find solutions to the greatest barrier facing education reform: the teachers' unions which represent the strongest power base within his Democratic Party. Like Paul Keating and Bill Kelty faced with economic reform in Australia, Obama must enjoin his closest allies to the cause of reform.

Of course it will be the extent to which Obama is determined to tackle the problems of the underclass that will largely determine whether the election of a black president will have meant anything substantial for African-Americans.

Australians can scarcely relate to the dimensions of the second challenge: the working poor. Most Australians, while used to the problem of poverty suffered by those who do not work, would be horrified at how so many millions of people can work hard and take responsibility, and yet remain poor.

The impact of economic change on the lot of the working classes in the US, and the hollowing-out of the lower middle classes, is a challenge to which Obama has devoted much promise of hope and change. During the long period of boom, no real solutions emerged for the many Americans cobbling together a living from multiple jobs, working long hours in conditions that Australians can scarcely imagine. Now in the time of economic crisis, Obama has held out the expectation he will fix the woes of

working America. The problem of the working poor is a structural phenomenon of globalisation in developed countries.

The third challenge suggests a solution to the first two. The winners from globalisation must make a deal with the losers. One half of the nation can't just take the upside and the other half the downside. The argument that free market economics and globalisation is about growing the cake for everyone's benefit can be accepted by all members of the nation. But it is not only the size of the cake that has grown, but the allocation of the share of the cake, which has changed incredibly in favour of the advantaged. Former Clinton administration labour secretary Robert Reich recently pointed out that the top 1 per cent of Americans took home 20 per cent of the country's total national income. In 1980 the top 1 per cent took 8 per cent.

If the US is to continue to pursue prosperity through globalisation, then the national economy must be reformed so that gain-sharing is the central policy principle.

Plainly the danger is that Obama and the Democrats will retreat from globalisation. The opportunities of globalisation are not the problem: they are part of the solution. The challenge for Obama is how to ensure all American citizens share the costs and benefits.

The global financial crisis makes it impossible for the advantaged classes who have enjoyed such enormous benefits from globalisation to continue to insist on their right to privatise the upside and socialise the downside. Viewed like this, the economic crisis facing the president-elect presents him with an opportunity to revitalise and reform America in ways that would otherwise have been impossible.

*Noel Pearson is director of the Cape York Institute for Policy and Leadership.*