Genovese, M. A. (2002). The limits of presidential power. In W. F. Grover and J. G. Peschek. *Voices of Dissent: Critical Readings in American Politics*, (4th ed., pp. 162-166). New York, NY: Longman.

Political observers have commented frequently on the modem gulf between high public expectations of the American presidency and disappointing presidential performance. Michael Genovese, a scholar of the presidency, provides a deeper explanation of this gap by identifying two structural constraints that shape and limit presidential action. The first constraint is the economic framework of corporate capitalism. Drawing on the work of Charles Lindblom, whose analysis of the privileged position of business is featured in chapter 1, Genovese notes that presidents who pursue reform agendas run the risk of losing business confidence. The need for business confidence has become an unexamined assumption of the modem presidency, an assumption with conservative implications for public policy and political change. Genovese also shows how the nature of the international system shapes presidential politics. He points out that the relative decline of U.S. power limits the ability of American presidents to resolve foreign policy problems through unilateral American action. We encourage you to apply Genovese's points to the performance of the first new president of the twenty-first century.

Presidential politics operates within an economic framework of corporate capitalism. How does this reality shape and influence presidential behavior?

Two major functions of the modern capitalist state are the stimulation of material accumulation and the legitimization of the social order. The first function derives from the fact that the state is ultimately held responsible for meeting the material needs of the society; thus, at least in some minimal terms, economic deterioration is blamed on presidents. But in this regard the capitalist state is "weak," in that it does not own the means of production; they are privately held and will not be put in operation unless a return (profit) on investment is foreseen. Thus, the capitalist state must use the carrot more than the stick, by helping the owning class in the accumulation of profit in order to promote production. Conversely, the owning class is in a strong position with presidents, who face the likelihood of an "investment strike" if policy is seen to hurt profits. This gives business a privileged position and places the president in a position of some dependency on what is referred to as "business confidence." In order to govern effectively, presidents must please the business community, lest they face a decline in business confidence and a deterioration of the overall economy, thus leading to a decline in presidential popularity and power.

It is just this situation that Charles Lindblom— though not referring specifically to the presidency—discusses in his article "The Market as Prison." Lindblom argues that political regimes with market systems have built-in defense systems that automatically trigger punishment whenever there is an attempt to tamper with or alter the basic structures of such systems. This, built-in punishing mechanism makes market systems resilient and highly resistant to change because attempts at change bring quick and sure punishment. As Lindblom writes, "Many kinds of market reform automatically trigger punishments in the form of unemployment or a sluggish economy." This punishment is not the result of any conspiracy on the part of business; it is simply a built-in by-product of market oriented systems. Lindblom writes:

> Business people do not have to debate whether or not to impose the penalty. They need do no more ... than tend to their own business, which means that, without thought of effecting a punishment on us, they restrict investment and jobs simply in the course of being prudent managers of their enterprises.

While Lindblom does not focus on the presidency in this context, he does discuss the notion that the economic system is highly resistant to change by political leaders. He describes the situation thus:

> What about government officials? It is critical to the efficiency of automatic punishment that it be visited on them. For it is they who immediately or proximately decide to persist in policy changes or to withdraw from such initiatives. The penalty visited on them by business disincentives caused by proposed policies is that declining business activity is a threat to the party and the officials in power. When a decline in prosperity and employment is brought about by decisions of corporate and other business executives, it is not they but government officials who consequently are retired from their offices.
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> That result, then, is why the market might be characterized as a prison. For a broad category of political/economic affairs, it imprisons policy making, and imprisons our attempts to improve our institutions. It greatly cripples our attempts to improve the social world because it afflicts us with sluggish economic performance and unemployment simply because we begin to debate or undertake reform.

Thus, with policy making being "imprisoned" in market-oriented systems, the leverage of presidents for reform is severely restricted by this self-regulating, self-punishing mechanism built into the system.

The other function, legitimization of the social order, derives from the need for the state to be seen as ruling in the interest of all, not in the interest of a dominant class. Welfare programs for the nonowning classes and entitlement programs for the middle class are examples of policies to satisfy this task. But when profits are squeezed, the revenues to support such programs become tight, and a crisis for the state can occur because it cannot reach an adequate balance between these contradictory goals.

Edward S. Greenberg develops the notion of the privileged position of business in policy making in these words:

> Presidents must act in such a way that they maintain the confidence of business leaders and ensure an economic environment conducive to profitable investment. The president's popularity and thus much of his ability to effect a domestic program and foreign policy objectives is dependent on the state of the economy and the sense of well-being felt by the American people. Since business people cannot be forced to make productive, job-creating investments in the American economy, government must induce them to do so. They are induced, in the main, by public policies that encourage and ensure profitability, especially among the most powerful economic actors and enterprises in the system. Thus, while no president can afford to respond to every whim of important business leaders, all his actions are bounded by the need to maintain "business confidence."

There is no active conspiracy on the part of business to "capture" the presidency. Rather, presidential success is intimately connected with business success. As presidential popularity rises and falls, in part due to economic conditions, presidents quickly learn that what is good for business is usually good for presidential popularity. When corporate capitalism gains, the president usually gains. Conversely, a sluggish economy is blamed on an administration's activities or lack thereof. Thus, the fate of the president is closely connected to fluctuations in the economy. Presidents help themselves by helping business.

In this way, presidents who do not have the confidence of business find themselves at a distinct political and economic disadvantage. As John Kennedy noted:

> I understand better every day why Roosevelt, who started out such a mild fellow, ended up so ferociously anti-business. It is hard as hell to be friendly with people who keep trying to cut your legs off.... There are about ten thousand people in this country involved in this—bankers, industrialists, lawyers, publishers, politicians—a small group, but doing everything they can to say we are going into a depression because business has no confidence in the administration. They are starting to call me the Democratic Hoover. Well, we're not going to take that.

But Kennedy recognized the other side of the business confidence coin as well, as he attempted to act as economic cheerleader when he said,

> This country cannot prosper unless business prospers. This country cannot meet its obligations and tax obligations and all the rest unless business is doing well. Business will not do well and we will not have full employment unless there is a chance to make a profit. So there is no long-run hostility between business and government. There cannot be. We cannot succeed unless they succeed.

Similarly, presidents who wish to pursue a reform agenda find themselves in a bind: "Do I sacrifice economic reforms for economic performance and personal popularity, or, do I play it safe and hope for incremental changes?" Which president would want to stir the embers of the market's self-punishing mechanism? Which president could afford to stir the beast that will likely produce a sluggish economy and lower presidential popularity? Thus, presidential leverage in economic reform is severely limited by the invisible prison of the market.

Thomas Cronin, probably the most highly regarded of today's presidential scholars, begins to suggest a structural impediment in presidential choice vis-a-vis the business community when, in a lengthy reexamination of Richard Neustadt's *Presidential Power,* he chides Neustadt for failing "to take into account the degree to which presidents are almost invariably stabilizers or protectors of the status quo rather than agents of redistribution or progressive change." Cronin adds that "all our presidents have had to prove their political orthodoxy and their acceptability to a wide array of established powers, especially to corporate leaders...."

Political scientist Bruce Miroff notes that presidential scholars remain firmly committed to a "progressive" interpretation of the presidency. But as Miroff writes, "The Presidency, even (perhaps especially) in liberal hands, is best understood as the chief stabilizer—and not the leading force for change—in American politics." No president has "sought to question, much less assault, corporate power and its extraordinary skewing of resources and rewards. The present structure of the American economy has been accepted by modern Presidents as a given of American life." In line with Charles Lindblom's concerns, Miroff writes:

> Because of their acceptance of the prevailing social and economic order, even the more liberal of recent Presidents have had little novel or profound that they really wanted to achieve in domestic affairs. Their most controversial domestic proposals have envisioned only modest reforms. Basically, these Presidents have sought to patch up remaining holes in the New Deal, and to stabilize and rationalize the corporate economy. None have acknowledged more fundamental problems in American society; none have proposed anything that resembles a program of social and economic reconstruction. Contrary to the conventional view, it has not been an obstructionist Congress or an apathetic public that has kept Presidents since FDR from major domestic accomplishments as much as it has been the orthodoxy of their own domestic vision.

Presidents are thus constrained by the needs of corporate capitalism. They are in part imprisoned, limited in what they can do, by the requirements of accumulation and legitimization.

If presidential politics operates within a restricting economic framework, presidents are bound by a dramatically changing international framework as well. With the end of the Cold War, the old road maps that guided leaders have been replaced by chaos and confusion. Presidents—who could once rely on ample resources, the deference of others in the making of policy, and a clear (if sometimes mistaken) policy road map—now face a more confusing world, armed with more limited resources and confronted by more challengers to their position of power and decision making.

A presidential problem unique to the modern period is the relative decline of America's inter-.national power. In the immediate aftermath of World War II, the United States emerged as *the* superpower of the world. It was the beginning of what was called "the American Century." The United States was seen as a leader, its resource base was unmatched in the world, and it assumed hegemonic control of the West.

The emergence of the United States as world leader did not go unchallenged. The Soviet

Union emerged as a rival, be it a relatively weak one, to U.S. hegemony. This competition led to the Cold War, and in the United States, to the development of the National Security State. The combination of U.S. international power and the development of the national security state in the Cold War led to an era of expansive presidential power.

But by the early 1970s, cracks began to show in U.S. hegemony: economic challenges from Japan and Europe and military challenges from the Soviet Union led to an erosion of U.S. power. The United States no longer had its massive margin of superiority. The "rise of the rest," U.S. economic woes, a diffusion of international power, as well as a host of other troubles beset both superpowers. This led to the demise of the Soviet empire and the decline of U.S. power: an Age of Limits.

One cannot discuss the rise and relative decline of U.S. power without mention of the presidency and presidential power. Inexorably linked to the rise of the American empire has been the rise of presidential power. The United States has become, for better or worse, a presidential nation, with economic and military power under the limited command of the president. This does not mean that the traditional checks and balances provided by the Congress have evaporated. But it has become clear that the burden if not always the resources of leadership has fallen on the shoulders of the president. When leadership occurs—and the system is often mired in gridlock— it is almost always the president who provides the momentum in the system. In the absence of presidential leadership, stagnation is almost guaranteed. This especially true in foreign affairs. Thus, the formulating of policies to deal with the age of limits rests with the president.

If the United States is to successfully negotiate the choppy waters of an age of limits, presidential choice and presidential leadership will be the keys. Sound policies can arrest relative decline; unwise policies will accelerate decline. The age of limits is a two-edged sword, and one must ask: how will the age of limits affect the presidency, and how can the presidency affect U.S. power in this age? Richard Rose in *The Postmodern President: The White House Meets the World* suggests that the presidency is going through a profound change, so drastic that he sees the emergence of a "Postmodern Presidency."

Rose sees three distinct stages in the development of the presidency. In the first stage, the Traditional Presidency (1789-1932), the office was relatively weak and Congress dominated the political landscape. Local politics predominated, and the presidency was not the center of power. In the second stage, the Modern Presidency (1932-1976), the power of the presidency grew. National politics dominated as the depression and World War II thrust the United States and the presidency into the limelight. Foreign policy became more important and the presidency became the center of action.

But Rose sees a third stage of development in the office, in which *"the resources of the White House are not sufficient to meet all of the President's international responsibilities"* (emphasis in the original). As Rose notes, for the postmodern president to succeed, he must win not only the support of the public and Congress but of other nations as well. No easy task in an era of relative decline.

The essential "difference between the modern and the postmodern Presidency is that a postmodern President can no longer dominate the international system." This is so essentially because *interdependence* reduces the ability of a hegemonic power to control or direct events. As Rose notes:

> The President is the leader of a very influential nation, but other nations are influential too.... While the White House is accustomed to influencing foreign nations, the postmodern President must accept something less appealing: Other nations can now influence what the White House achieves. Whereas the Constitution made Congress and the Supreme Court the chief checks on the traditional and the modern President, the chief constraints on the postmodern President are found in other nations.

Rose sees the postmodern presidency first rising during the war in Vietnam, and by the mid-1970s the transition from modern to postmodern state is complete. To Rose, Jimmy Carter was the first truly postmodern president. How has the transition to postmodern status affected the presidency?

"A generation ago," writes Rose, "the President had a trump card in dealing with foreign nations: to act as if they were not there." Presidents no longer have that luxury. "Whatever a postmodern President would like to believe, he soon recognizes that there are now few problems of significance to him that can be resolved by unilateral American action."

The postmodern president must generate support from and the cooperation of three very different audiences: the American public, the American Congress, *and* the international audience. The president does this from a position of some strength but not dominance. He is more vulnerable and less powerful. Rose and other presidential scholars see a transformation in presidential power as the president faces more demanding problems with fewer tools and resources.