

Learning from Defeat? Political Analysis and the Failure of Health Care Reform in the United States

JACOB S. HACKER*

The demise of President Clinton's 1993 health care reform plan provides a revealing window into the difficulties and hazards of drawing lessons from complex political events. In an effort to identify the causes and implications of the Clinton plan's failure, students of American health policy have offered a blizzard of alleged historical lessons that purport to explain why the plan, along with its leading alternatives, went down to such a crushing political defeat. On closer inspection, however, many of these putative lessons turn out to be hastily formulated, weakly grounded and prescriptively inadequate. These deficiencies are by no means unique to the commentary on health care reform in the United States. Rather, they reflect general risks of constructing lessons for action or analysis on the basis of just one or a few striking political events. Although these risks are endemic to historical lesson-drawing, they could be reduced by more careful attention to basic rules of historical comparison and counterfactual analysis. They could also be mitigated by a greater awareness of the fundamental uncertainties that, for a variety of reasons, characterize complex political interactions. Viewing outcomes as uncertain does not preclude forecasting and, indeed, may lead to more nuanced and accurate predictions, as well as to a greater appreciation of historical turning points and moments of meaningful strategic choice.

Learning from history is at the heart of governance and enquiry alike. Political leaders must continually rely on the lessons of history in their endeavours, and history is of necessity the raw material of most political science research. Yet the ground rules for drawing lessons from history – in scholarship as well as in politics – remain poorly articulated and inexact. Reflecting on the past, we tend to speak with certainty about events that once seemed uncertain and contingent.¹ We are inclined to accept the prevailing wisdom and to discount alternative, sometimes equally plausible, accounts. And we are tempted to search for evidence and analogies that confirm, rather than challenge, our prior beliefs. In few realms of analysis are the necessities and pitfalls of historical analysis more

* Harvard University Society of Fellows. The author is indebted to the Brookings Institution and the New America Foundation for research support and to Oona Hathaway, Ted Marmor, Mark Peterson, Paul Pierson, Albert Weale, Joe White and several anonymous reviewers for valuable comments and suggestions.

¹ As Philip Tetlock and Aaron Belkin summarize the relevant literature, 'Cognitive psychologists have recently demonstrated ... that "outcome knowledge" contaminates our understanding of the past. Once people learn the outcome of an event, they not only perceive that outcome as more likely ex post than they did ex ante ... , they often fail to remember their ex ante assessment of what was and was not likely to happen' (Philip E. Tetlock and Aaron Belkin, *Counterfactual Thought Experiments in World Politics: Logical, Methodological, and Psychological Perspectives* (Princeton, NJ: Princeton University Press, 1996), pp. 1–39, at p. 15).

evident than in the growing body of commentary on the demise of President Bill Clinton's 1993 proposal to reform American medical care.

The failure of the Clinton health plan unleashed a tidal wave of criticism and analysis – nearly all of it seeking to draw lessons for contemporary politics and political science from the 1993–94 debate over health care reform in the United States. The sheer volume of these writings is itself remarkable, and one purpose of this article is simply to catalogue the growing pool of scholarship and the claims made in it.² My core aim, however, is to comment critically on the task of historical lesson-drawing as it has been practised in this area, and to suggest how it might be done better in this context and in others. My focus will be on two types of lessons that have been drawn from the health care reform debate: lessons about the workings of American national political institutions and lessons about the political feasibility of social reforms in contemporary American politics. The first of these primarily interests political scientists and policy analysts; the second mainly concerns political advocates and policy makers. Yet both require sensitivity to the way in which history can (and cannot) be used to make arguments, plan strategies and draw conclusions. Indeed, I will argue that the health care reform debate offers a third type of 'lesson', one that political scientists in particular too often ignore: it reminds us of the uncertainties and multiple possibilities of politics. Contingency, imperfect information, multiple equilibria, probabilistic causal relations and (not least) human free will make determinate predictions about political outcomes fragile and suspect, while undercutting the alleged symmetry between explanation and prediction on which prominent conceptions of the social sciences are premised.

LEARNING FROM DEFEAT?

No sooner had Senate Majority Leader George Mitchell pulled the plug on health care reform in September 1994 than a wave of *post-hoc* analysis poured forth from the nation's pundits, journalists and academics. There were the usual journalistic tales of inside battles, bargains and betrayals, laced with descents into pop psychology and amateur political science. No shortage of commentary condemned the hubris and political stupidity of the Clinton administration, with special contempt reserved for Hillary Clinton and her egghead henchman, Ira Magaziner. Scorn was immediately heaped on President Clinton's secretive task force, the grandiose intentions of the president and first lady, and the hopelessly complex contraption of a health plan that the president and his advisers had witlessly designed. There was also no lack of 'what-ifs'. What if President

² Although writings on the failure of health care reform are legion, attempts at critical synthesis are rare. Two recent books that review the competing explanations for reform's demise (without, however, making much effort to adjudicate between them) are Carol S. Wiessert and William G. Weissert, *Governing Health: The Politics of Health Policy* (Baltimore, Md: Johns Hopkins University Press, 1996), especially pp. 296–315; and Mark E. Rushefsky and Kant Patel, *Politics, Power and Policy Making: The Case of Health Care Reform in the 1990s* (Armonk, NY: M. E. Sharpe, 1998), especially pp. 243–53.

Clinton had reached out to moderates and Republicans from the start? What if he had eschewed compromise and waged a rabble-rousing populist campaign? What if he had proposed modest insurance market reforms? What if he had supported Canadian-style national health insurance? What if he had moved more quickly? What if he had waited until after doing welfare reform? The alternative scenarios, it seemed, were limitless.

All this recrimination and second-guessing is quite understandable given the dramatic rise and fall of health care reform in the early 1990s. Yet it is also unsettling. Few of those who now criticize the president, or who question whether comprehensive reform was a realistic goal, expressed their reservations *before* the president's plan and all its competitors were defeated. The immutable laws of American politics that, critics argue, the president and his policy team so foolishly tried to contravene seemed not to have been in evidence then. Moreover, all the confident talk of stupidity and hopelessness raises the obvious question of why the president – or anyone else, for that matter – thought that some kind of reform was possible. After all, analysts of politics generally assume that political behaviour is goal-directed and more or less rational. For President Clinton to have been willing to invest so much of his legislative energy and political capital in health care reform, he must have believed that the pay-off and chance of success justified the effort. Nor was he the only one who shared this belief. Although few are willing to admit it now, there was a near-universal perception in early 1993 that some type of health care reform plan would pass in the 103rd Congress.³ It is as if, by dismissing the presidents' goals and tactics out of hand, commentators are engaging in a kind of collective denial of their past convictions.

The result has been an unfortunate overreading of the Clinton plan's demise that has squelched serious consideration of the opportunities and constraints facing the Clinton administration while presenting as self-evident quite shaky claims about the meaning of the plan's failure. Although some of the lessons that have been culled from Clinton's defeat are clearly valuable, many more are

³ This was not merely true of media commentary, which until mid-1994 was overwhelmingly of the view that some type of reform plan would be passed. See, for example, Adam Clymer, 'The Clinton plan is alive on arrival', *New York Times*, 3 October 1993, p. E3; William Schneider, 'Health reform: what went right?' *National Journal*, 2 October 1993, p. 2404; 'The Bush-Clinton health reform', *New York Times*, 10 October 1992, p. A20. In 1993, while writing a book on the Clinton health plan entitled *The Road to Nowhere: The Genesis of President Clinton's Plan for Health Security* (Princeton, NJ: Princeton University Press, 1997), I conducted interviews with nearly two dozen congressional and White House staff, journalists and interest group representatives. Although their forecasts varied, nearly all believed that reform legislation would be enacted, and many believed such legislation would be comprehensive in scope. After the defeat of reform in 1994, of course, assessments changed, with many who predicted the success of reform now declaring that it never had much chance. Compare, for example, Schneider's 1993 piece cited above with his diametrically opposed assessment in 'Why health care reform may be beyond saving', *Los Angeles Times*, 14 August 1994, pp. M1, M6. In a second round of interviews that I conducted for my book in 1995, respondents not surprisingly offered retrospective assessments of the prospects for reform that were decidedly more negative, with most arguing that the Clinton plan and its competitors faced obstacles that were probably insurmountable.

hasty, tendentious, or simply wrong. What follows are a few of the more common ‘lessons’ that have been learned.

‘Major social reforms do not pass except during war or depression.’

This is a frequent contention in the post-defeat punditry. The economist Henry Aaron (who in 1991 predicted that the United States would adopt universal health insurance by 1998) writes that ‘no legislation remotely approximating the size and complexity of the Clinton health reform plan [has] ever been enacted in the United States except during war or major depression.’⁴ The journalists Haynes Johnson and David Broder appear to agree:

Only the strongest of Presidents have succeeded in getting Congress to pass such fundamental reforms or to take action on their own to make major controversial changes. And in those rare cases the President almost always has been assisted by a national crisis created during wartime, during economic collapse, or during a tragedy.⁵

Political scientist Cathie Jo Martin pessimistically adds that ‘American social policy seems to have reached a dead end: there has been no real innovation since the 1960s.’⁶

The problem with these arguments is that they are either truistic or wrong. They are truistic if comprehensive health care reform is declared, by fiat, to be such a distinctly intractable or contentious policy challenge that it has no parallels in the history of modern social legislation – and thus naturally had no chance of succeeding in 1993–94. The most common way in which analysts express this position is to cite the massive economic sums at stake in American medical care, which, as commentator after commentator has reminded us, comprises ‘one-seventh of the American economy’.⁷ As Aaron incredulously notes in his commentary, ‘it was as if the president had proposed to remake an

⁴ Henry J. Aaron, ‘The Problem That Won’t Go Away’, in Henry J. Aaron, ed., *The Problem That Won’t Go Away: Reforming US Health Care Financing* (Washington, DC: Brookings, 1995), pp. 1–12, at p. 3. The prediction is contained in Henry J. Aaron, ‘Looking Backward, 2001–1991: The History of the Health Care Financing and Reform Act of 1998’, *Brookings Review*, 9 (1991), 40–5.

⁵ Haynes Johnson and David S. Broder, *The System: The American Way of Politics at the Breaking Point* (New York: Little, Brown, 1996), p. 639.

⁶ Cathie Jo Martin, ‘Stuck in Neutral: Big Business and the Politics of National Health Reform’, *Journal of Health Politics, Policy and Law*, 20 (1995), 431–6, p. 435.

⁷ For conservatives opposed to the Clinton plan, the ‘one-seventh’ figure became a favourite rhetorical invocation. Senator Robert Dole charged during the first televised debate of the 1996 presidential campaign that Clinton ‘wanted to give us this big system that took over about one-seventh [of] the economy’ (‘A transcript of the first televised debate between Clinton and Dole’, *New York Times*, 7 October 1996, p. B8). This charge was ironic, since the Clinton plan was consciously designed to keep most health spending in the private sector by mandating that employers pay for their workers’ health insurance. The charge was also misleading, since more than 40 per cent of American health spending is already public and hence Clinton could at most have ‘taken over’ about one-twelfth of the economy.

entity as large as all of France in a single piece of legislation'.⁸ To contemplate the success of an enterprise so ambitious would be naïve under any conditions, much less in the absence of some action-forcing economic or military cataclysm.

This argument certainly contains more than a grain of truth, inasmuch as proposals for comprehensive health care reform confront political, cultural and institutional barriers that are unquestionably formidable. Nevertheless, the claim that 'health care reform is too big' is more an after-the-fact rationalization of an outcome than an independent explanation of it. How do we know comprehensive health care reform is impossible except during times of crisis? And what exactly about health care reform makes it such an extraordinary political challenge? That it would affect one-seventh of the economy is hardly a satisfactory explanation in and of itself (and the one-seventh figure is arguably misleading, given that nearly half of American health care financing is already channelled through existing public programmes). Even the unquestionably ambitious Clinton plan did not, after all, propose to remake American medical care from top to bottom, and in fact it was widely criticized in some quarters for relying on private health insurance and the existing employment-based system of medical care financing.⁹ Without further explication, the 'health care reform is too big' argument merely restates what happened to the Clinton plan and its leading policy competitors. It adds little or nothing to the analysis of that outcome.

In any event, it is far from clear that comprehensive health care reform belongs to a social policy class of its own. As the budget specialist Joseph White notes, 'the actual extra financing required each year for a health care package is in the same range as the costs of a deficit-reduction package.'¹⁰ More important, comprehensive health care reform shares similarities with many other 'social policy claims that were, and were seen to be, fundamental transformations in national policy commitments as against the inherited course of the status quo'.¹¹ Prohibition, Social Security, the National Defense Education Act of 1958, Medicare, the Voting Rights Act – reforms such as these can surely be seen as 'remotely approximating' health care reform in their innovativeness and scope. Health care reform is big, but it is not without precedent.

What is the pattern of enactments when one looks at these other big social reforms? The evidence allows for conflicting interpretations, but one thing is certain: war and depression are not preconditions for the passage of major reform legislation. Any claims to this effect must grapple first and foremost with the social and regulatory policy innovations of the 1960s and early 1970s, including the Manpower Development Training Act of 1962, the Economic Opportunity Act of 1964, the Food Stamp Act of 1964, the civil and voting rights

⁸ Aaron, 'The Problem That Won't Go Away', p. 3.

⁹ See, for example, David U. Himmelstein, Sidney Wolfe and Steffie Woolhandler, 'Mangled Competition', *American Prospect*, 13 (Spring 1993), 16–21.

¹⁰ Joseph White, 'The Horses and the Jumps: Comments on the Health Care Reform Steeplechase', *Journal of Health Politics, Policy and Law*, 20 (1995), 371–83, p. 374.

¹¹ Hugh Heclo, 'Clinton's Health Reform in Historical Perspective', in Aaron, ed., *The Problem That Won't Go Away*, p. 17.

acts of 1964 and 1965, the Medicare and Medicaid programmes of 1965, the passage of the Supplemental Security Income programme in 1972, the Comprehensive Employment Training Act of 1973, the creation of the Earned Income Tax Credit in 1975, and the establishment of no fewer than ten new federal regulatory agencies between 1964 and 1977.¹² Such claims will also need to struggle with the significant policy actions of later years, including deregulation, Reagan's 1981 budget victories, the Tax Reform Act of 1986, the deficit-reduction measures of 1990 and 1993, and the 1996 welfare reform bill. Finally, these claims will have to contend with the rather mixed evidence that war or depression does in fact help along social reforms. True, the Great Depression did permit the breakthrough social policies of the 1930s. Yet several very significant economic recessions since then – most notably, the severe economic downturn of the early Reagan years – have not produced much in the way of important reform legislation. True, wars have played an important role in the strengthening and expansion of the American state. Yet their legacy for social policy has been more ambiguous.¹³ On the effect of the Second World War on American social policy, Edwin Amenta and Theda Skocpol contend that 'nearly all possibilities for nationalized social policy had been eliminated from the agenda of mainstream politics by the beginning of the 1950s.'¹⁴ The Vietnam War put the final nail in the coffin of LBJ's crumbling Great Society, just as the First World War had finished off the last gasping reform efforts of the Progressive Era and the Korean War had crushed what was left of Truman's Fair Deal. Indeed, if anything, the record of the twentieth century suggests that wars have prompted a public backlash *against* American social reformers while strengthening the political hand of their conservative opponents.

'Only an incremental reform plan could have passed. After all, the process of making policy in the United States is incremental.'

This lesson – a corollary to the first – is perhaps the most common claim put forth by commentators. Everyone seems to agree that Clinton and congressional Democrats made a fatal error in putting forward grandiose, all-or-nothing

¹² David R. Mayhew, *Divided We Govern: Party Control, Lawmaking, and Investigations, 1946–1990* (New Haven, Conn.: Yale University Press, 1991), pp. 52–73, 82–6. To be sure, the United States was involved in an undeclared war in Vietnam during much of this period. But not only did the legislative outpouring of the 1960s both predate and continue after the period of heavy American involvement, but, as noted below, the effect of the war on US social policy was almost entirely negative, fracturing liberals, distracting leaders and draining resources. On the impact of the Vietnam War on Johnson's Great Society and War on Poverty, see Robert Dallek, *Flawed Giant: Lyndon Johnson and His Times, 1961–1973* (New York: Oxford University Press, 1998), pp. 399–405.

¹³ See, in particular, Bartholemew H. Sparrow, *From the Outside In: World War II and the American State* (Princeton, NJ: Princeton University Press, 1996), pp. 33–66; Edwin Amenta and Theda Skocpol, 'Redefining the New Deal: World War II and US Social Provision', in Margaret Weir, Ann Shola Orloff and Theda Skocpol, eds, *The Politics of Social Policy in the United States* (Princeton, NJ: Princeton University Press, 1988), pp. 81–122.

¹⁴ Amenta and Skocpol, 'Redefining the New Deal', p. 121.

proposals rather than modest incremental reform plans. According to the health policy analyst Gail Wilensky, 'After two years of discussing the "big bang" of health care reform ... the nation seems clearly, though reluctantly, to have recognized that health care reform will occur the way most other legislative changes happen in this country, piecemeal and incrementally.'¹⁵ Political scientist Allen Schick pithily sums up the lesson: 'Incremental demands are more passable than comprehensive demands'.¹⁶

Incremental demands *are* generally more passable than comprehensive demands. But it is worth remembering why so many policy advocates on both the left and the right were not voicing incremental demands in 1993. As R. Douglas Arnold argues in his study of congressional action, there may be good political as well as policy reasons to prefer comprehensive reforms to incremental reforms.¹⁷ First, there is the risk 'that by solving the most egregious problem, one removes the political pressure for solving the broader problem'.¹⁸ During the debate over health care reform, this was obviously the concern of the most ardent supporters of universal health insurance coverage, who argued that small fixes in the insurance market would reduce the demands of better-off Americans for reforms that addressed the continuing plight of the uninsured and underinsured.

Secondly, incremental reforms may not always 'deliver enough benefits to make them worth the trouble', especially when policy changes invoke the ire of powerful defenders of the status quo.¹⁹ Tax reform, for instance, was a political orphan until Congress took a comprehensive approach in the Tax Reform Act of 1986, which generated political and economic benefits worth the inevitable pain. In recent years, Congress has bundled together huge numbers of policy changes in giant omnibus budget bills, diffusing retribution for unpopular initiatives and streamlining legislative action.²⁰ By dispersing losses widely and obscuring responsibility for them, comprehensive proposals may be part of a conscious strategy of 'blame-avoidance' that goes hand-in-hand with the ever-present quest for political credit.²¹ Comprehensive initiatives may also

¹⁵ Gail R. Wilensky, 'Bite-Sized Chunks of Health Care Reform – Where Medicare Fits In', in Aaron, ed., *The Problem That Won't Go Away*, pp. 266–73, at p. 266.

¹⁶ Allen Schick, 'How a Bill Did Not Become Law', in Thomas E. Mann and Norman J. Ornstein, eds, *Intensive Care: How Congress Shapes Health Policy* (Washington, DC: Brookings and American Enterprise Institute, 1995), pp. 227–72, at p. 267.

¹⁷ R. Douglas Arnold, *The Logic of Congressional Action* (New Haven, Conn.: Yale University Press, 1990), pp. 109–10.

¹⁸ Arnold, *The Logic of Congressional Action*, p. 110.

¹⁹ Arnold, *The Logic of Congressional Action*, p. 110.

²⁰ President Clinton in fact initially wished to include a version of his health care proposal in his 1993 budget plan, which would have been protected from a Senate filibuster by Congress's expedited budget-reconciliation procedures. This strategy was eventually thwarted by the complexity of the plan, divisions among Democrats about the propriety of the move, and the conviction of former Senate Majority Leader Robert Byrd that including health care reform in the budget would violate Senate rules.

²¹ R. Kent Weaver, 'The Politics of Blame Avoidance', *Journal of Public Policy*, 6 (1986), 371–98.

allow logrolling between political actors with different preferences or intensities of interest.

Finally, in the health policy arena, comprehensive reforms have significant technical strengths whereas incremental reforms have serious technical shortcomings. International evidence strongly suggests, for example, that health care cost control is facilitated by universal health insurance coverage, because having all citizens in one system limits cost-shifting, reduces administrative costs, and focuses attention on total societal outlays.²² By contrast, small reforms may have unintended consequences. In the absence of subsidies for the purchase of health insurance, for example, rules prohibiting large rate variations will drive up premiums for low-income and healthy Americans, providing them with incentives to exit the insurance market. Conversely, requiring insurers to accept all applicants (so-called open enrolment) would encourage plans to develop ever more sophisticated discriminatory pricing mechanisms.

Of course, all of these arguments hinge on the meaning of the terms ‘incremental’ and ‘comprehensive’. Medicare was considered an ‘incremental’ step towards national health insurance when it was passed in 1965, but few advocates of comprehensive health care reform would be complaining today if the recent debate had resulted in a coverage expansion of that magnitude. A strong case can be made that President Clinton and his allies would have enjoyed a better chance of success in 1993–94 if, instead of trying to achieve all their goals in one fell swoop, they had proposed instead a series of interlocking coverage expansions – perhaps beginning with a federal programme for children modelled after Medicare – or if they had pressed Congress to establish a national framework of subsidies and regulations within which the states could undertake similar innovations.²³ But such major steps towards universal coverage and

²² The Health Care Study Group, ‘Understanding the Choices in Health Care Reform’, *Journal of Health Politics, Policy and Law*, 19 (1994), 499–541, pp. 501–3.

²³ A related but distinct question is how detailed Clinton’s reform proposal should have been. Should Clinton have prepared an entirely worked out piece of legislation for congressional consideration, or should he have established a set of principles or provided a rough blueprint and then asked Congress to fill in the specifics? Although often conflated with the question of how comprehensive Clinton’s proposal should have been, the two questions are in fact different and must be treated separately. I believe President Clinton would have been better served by a more minimal legislative proposal, because this would have given congressional leaders greater leeway to reach compromise and to cut deals with affected interests. That said, Clinton’s key demands – universal coverage and effective cost control – were inherently divisive and any proposal that attempted to achieve them would have faced similar conservative and interest-group countermobilization. To actually pass legislation in 1993 or 1994, these twin goals would have had to have been compromised, at least in the short term, and that is something that neither Clinton nor key congressional Democrats appeared willing to accept in early 1993. Moreover, a detailed proposal was demanded by congressional budget rules, which required that all plans be carefully assessed (or ‘scored’) by the Congressional Budget Office to ensure that they abided by fiscal constraints. Perhaps the best that can be said of the minimalist strategy is that it would have laid the cost of failure on Congress rather than President Clinton alone, and thus might have created electoral and political incentives for a cross-party compromise in Congress. By proposing a plan so closely allied with his and his party’s fortunes, Clinton ended up giving congressional Republicans and medical industry interests an irresistible target for politically motivated attacks.

health care cost control would only have been incremental in the sense that they fell short of the loftiest goals set by congressional reformers and the Clinton administration. By any reasonable standard, these would have been extremely large, resource-intensive and consequential – in a word, comprehensive – federal policy initiatives. If ‘incrementalism’ is understood to include policy proposals this large, then little would seem to be excluded by the term.

If, by contrast, incrementalism is understood (as it usually is) as relatively minimal insurance market reforms, then the argument that Clinton was misguided to pass up incremental reforms is both historically myopic and politically naïve. When Clinton entered office, nearly all Democrats as well as a good number of Republicans supported plans significantly more ambitious than the incremental solutions advocated by conservative Republicans. For reasons already outlined, insurance market reforms would have either made only marginal improvements or entailed quite formidable political and policy risks. The ‘centrist’ health proposals supported by legislators like Congressman Jim Cooper and Senator John Chafee lacked credible financing and cost-control provisions and promised significant deficit-spending.²⁴ None of this is to say that the Clinton administration chose the right strategy. But the claim that President Clinton should have advocated minimal insurance market reforms in 1993 arguably misunderstands the historical circumstances of the moment as much as Clinton is alleged to have done.

The contention that incremental reforms are the only option in American politics also flies in the face of recent research on the nature of the US policy process. The fragmented structure of American political institutions certainly encourages incremental adjustments in status quo policies. Yet fragmented institutions can also facilitate policy change by diffusing power across multiple institutions with distinct powers, incentives and orientations.²⁵ Indeed, many political scientists now believe that the policy process in the United States is marked by both incrementalism and rapid policy change. Borrowing from the study of evolution, Frank Baumgartner and Bryan Jones argue that most policy areas follow a pattern of ‘punctuated equilibria’, in which previously stable policies suddenly experience rapid and dramatic adjustment. ‘Whether [the policy issues] be health-related issues, environmental questions, morality questions, highly partisan issues, or nonpartisan debates,’ Baumgartner and

²⁴ See Congressional Budget Office, *An Analysis of the Managed Competition Act* (Washington, DC: CBO, 1994); Joseph White, *Competing Solutions: American Health Care Proposals and International Experience* (Washington, DC: Brookings, 1995), pp. 199–222; Mark A. Peterson, ‘The Politics of Health Care Policy’, in Margaret Weir, ed., *The Social Divide: Political Parties and the Future of Activist Government* (Washington, DC: Brookings, 1998), pp. 181–229, at p. 190.

²⁵ Nelson W. Polsby, *Innovation in American Politics: The Politics of Policy Initiation* (New Haven, Conn.: Yale University Press, 1984), pp. 161–5; Harvey Feigenbaum, Richard Samuels and R. Kent Weaver, ‘Innovation, Coordination, and Implementation in Energy Policy’, in R. Kent Weaver and Bert A. Rockman, eds, *Do Institutions Matter? Government Capabilities in the United States and Abroad* (Washington, DC: Brookings, 1994), pp. 42–107, at p. 45.

Jones conclude, ‘every issue that we discuss shows long periods of stability in public policy understandings and behaviour punctuated by short periods when dramatic changes take place.’²⁶ Similarly, John Kingdon, in his pathbreaking study of agenda setting in American politics, found that non-incremental agenda change was no less common than incremental change.²⁷ Although large changes in public policy come rarely in American politics, those rare moments are enormously important for the direction of public policy – and for the lives of Americans as well.

‘Only bipartisan reforms are enacted.’

President Clinton and Democratic leaders have been almost universally condemned for their failure to reach out to Republicans and moderate Democrats at the beginning of the health care reform debate. Depending on who is making the argument, Clinton’s great strategic blunder was to choose a ‘left-in’ strategy premised on attracting liberal Democrats to his proposal, to lock congressional Republicans out of the early policy deliberations, or to ignore or even actively undercut congressional moderates who were seeking a compromise solution. In many journalistic accounts, the partisan battle over health care reform is contrasted with the bipartisan co-operation that produced the landmark Tax Reform Act of 1986.²⁸ The historical lesson is again summed up nicely by Schick: ‘Major reform needs bipartisan support.’²⁹

In a two-party system with significant supermajority hurdles, bipartisan support is indeed frequently a requirement for the passage of major legislation.³⁰ Historically, important laws have tended to pass with majorities in Congress that encompass more than two-thirds of the congressional membership as well as majorities of both parties. More than three-quarters of the important post-Second World War laws tabulated by David Mayhew in his 1991 book *Divided We Govern*, were passed with two-to-one margins, and well over half attracted majorities of both Democrats and Republicans.³¹ In recent years, however, bipartisanship has lost much of its historical lustre. In the 103rd Congress, all but two of the eleven most significant laws passed by Congress were enacted with party-line votes, with a majority of Democrats voting one way and a

²⁶ Frank R. Baumgartner and Bryan D. Jones, *Agendas and Instability in American Politics* (Chicago: University of Chicago Press, 1993), p. 57.

²⁷ John W. Kingdon, *Agendas, Alternatives, and Public Policies* (New York: HarperCollins, 1984), pp. 83–8.

²⁸ Johnson and Broder, *The System*, p. 602.

²⁹ Schick, ‘How a Bill Did Not Become Law’, p. 271.

³⁰ Or, put another way, the supermajority requirements created by the presidential veto and the Senate filibuster increase the likelihood that successful legislation will include substantial numbers of legislators in both parties. For extended analyses of the way in which supermajoritarianism influences legislative decision making, see David W. Brady and Craig Volden, *Revolving Gridlock: Politics and Policy From Carter to Clinton* (Boulder, Colo.: Westview, 1998); Keith Krehbiel, *Pivotal Politics: A Theory of US Lawmaking* (Chicago: University of Chicago Press, 1998).

³¹ Mayhew, *Divided We Govern*, pp. 121–2.

majority of Republicans voting the other way.³² All other indicators of partisanship have also shown party unity and polarization reaching post-war highs in the 103rd and 104th Congresses, continuing a more than decade-long escalation of partisan division and rancour in the House and, to a lesser degree, the Senate.³³

These trends highlight the extremely turbulent partisan waters that Clinton had to navigate in 1993 and 1994. With his own party deeply divided and a significant subset of Republicans unwilling to negotiate, Clinton's only real option for a bipartisan effort was to bring Republican moderates on board during the policy development process. But not only had the ranks of such moderates dwindled considerably since the 1970s, but those who were sympathetic to the president's aims also apparently turned down the administration's requests for collaboration.³⁴ Senator Chafee reportedly told Hillary Clinton that the administration and Republicans should move on separate tracks and then resolve the differences between their approaches later. Other Republicans seemed not to want to meet with the president until they had proposals of their own.³⁵ No doubt Clinton could have courted Republicans more assiduously, but the constraints he confronted were daunting.

On a more fundamental level, laws that pass with bipartisan majorities may not begin with bipartisan support. Perhaps more often, policy proposals begin as the province of one or the other party, attract public support, and then become a bandwagon on which members of both parties climb. As Charles Jones suggests, there are several different possible modes of partisan interaction in the lawmaking process, ranging from pure partisanship to pure bipartisanship.³⁶ Most common, he finds, are various forms of 'cross-partisanship', in which one party sides with a coalition of members from the other.³⁷ Also worth noting is the pattern that Jones calls 'copartisanship', in which each party develops its own approaches to an issue and resolves disagreements later in the legislative process. Medicare is a good example of the copartisan pattern: both Republicans and Democrats developed separate (and quite different) proposals, which were unexpectedly combined after the 1964 elections.³⁸ The point in making these distinctions is that bipartisan outcomes may not require the active and co-operative involvement of both parties at all stages of the policy process. When politicians believe that they will be punished by their constituents if they

³² David R. Mayhew, 'Clinton, the 103rd Congress, and Unified Party Control: What Are the Lessons?' (paper prepared for a conference honoring Stanley Kelley Jr, Princeton, NJ, 1995), pp. 40–2.

³³ David W. Rohde, *Parties and Leaders in the Postreform House* (Chicago: University of Chicago Press, 1991); Schick, 'How a Bill Does Not Become Law', pp. 248–57.

³⁴ Sarah A. Binder, 'Congress and the Incredible Shrinking Middle', *Brookings Review*, 14 (Fall 1996), 36–9.

³⁵ Johnson and Broder, *The System*, p. 132.

³⁶ Charles O. Jones, *The Presidency in a Separated System* (Washington, DC: Brookings, 1994).

³⁷ Jones, *The Presidency in a Separated System*, pp. 20–1.

³⁸ Theodore R. Marmor, *The Politics of Medicare* (Chicago: Aldine, 1973).

do not act, then the incentives for them to search for cross-party compromises are strong regardless of the genesis of public policy issues or legislative solutions. In 1993, many hoped that public support for health care reform would impel politicians to cross party lines to cut a deal on health care reform. Although that proved to be a false hope, it was not a complete fantasy.

'There is no prospect for major health care reforms in contemporary American politics.'

The failure of health care reform in the 103rd Congress and the subsequent Republican capture of Congress have signalled to many that meaningful health care reform legislation simply cannot be passed by the federal government. 'Very possibly,' Theda Skocpol writes, 'Americans who favor governmentally mediated universal health insurance have just had – and lost – their last opportunity for achieving it.'³⁹ Commenting on the century-long struggle for national health insurance, Henry Aaron argues that 'that mission, it is now apparent, will not be completed in a form recognizable by traditional advocates of national health insurance.'⁴⁰ Many who believed in 1993 that comprehensive health care reform was a near-certainty now contend that it was doomed from the start – and that any significant future legislation to move in the direction of universal insurance coverage or health care cost control will be doomed as well.

This is, of course, not the first time that optimism about the likelihood of comprehensive health care reform has been replaced with pessimism and despair. In the late 1910s, the 1930s, the 1940s and the 1970s, comprehensive reform emerged on to the government agenda, only to slip from it without legislation action.⁴¹ These episodes were also distinguished by an excessive initial faith that action was finally at hand followed by a great deal of handwringing about the limits of political leadership, the weakness of government institutions and the power of special interests. Each time reformers have been crushed, however, the reform movement has regrouped and the political debate has resurfaced after a period of legislative dormancy. To be sure, the central questions have changed, with the focus shifting from lost wages to health care access to medical costs. But the debate about health care reform appears to be one of a few 'hardy perennials' in American politics, and there is little reason to think that it will not resurface again in the coming years.⁴²

Even after the extremely divisive debate over the Clinton plan, for instance, Americans continue to believe that health care reform should be a top priority of the federal government, although they now advocate more modest changes

³⁹ Theda Skocpol, 'The Rise and Resounding Demise of the Clinton Health Security Plan', in Aaron, *The Problem That Won't Go Away*, p. 53.

⁴⁰ Aaron, 'The Problem That Won't Go Away', p. 2.

⁴¹ Paul Starr, *The Social Transformation of American Medicine* (New York: Basic Books; 1982), pp. 235–419.

⁴² John W. Kingdon, *Agendas, Alternatives, and Public Policies*, 2nd edn (New York: HarperCollins, 1995), p. 217.

than they did in 1993.⁴³ Although public support for health care reform has risen and fallen over the last two decades, the basic contours of opinion on the issue have remained fairly stable. Americans believe that health care should be provided to all who need it, dislike the structure and expense of the medical system, and support the general goal of systemic reform. At the same time, they are generally satisfied with their own medical arrangements, fear that excessive government involvement in medicine may cause a diminution in the quality or availability of their care, and do not seem willing to make large sacrifices to enable reform. Over time, these multiple competing ‘considerations’ interact to produce shifting assessments of specific reform proposals.⁴⁴ But the underlying character of public sentiment has not changed fundamentally, and it is entirely possible that strong support for major policy changes could be revitalized by future events and trends.

Indeed, the rapid transformation of the medical sector in the last five years has at once lessened and increased the pressures for government action. Even as the expansion of managed care has (at least temporarily) helped to reduce the growth of employers’ health spending and tame state Medicaid spending, it has also fostered a vocal backlash among influential segments of the public and the medical community while doing nothing to slow the growth in the number of Americans without health insurance. More quickly than many expected, managed care has become a hot political topic, with a spate of new restrictions on the industry under consideration in Congress and state capitals across the nation. Meanwhile, Congress has passed an incremental insurance reform bill, Medicare has become the subject of fierce partisan debate, and President Clinton and Congress have agreed to spend more than \$20 billion over five years to fund state efforts to expand children’s health insurance coverage. Given the shifting politics of the health care debate, the problems of cost and access that created a political firestorm in the early 1990s are not going to remain out of the political spotlight for long.

All this is not to say that major expansionary health care reforms are likely. The legislative prospects for such changes – never good to begin with – are decidedly worse today than they were in 1993.⁴⁵ With reform forces in disarray, conservative Republicans still strong, and tax and budgetary concerns continuing to dominate debate over national policy, one can hardly be sanguine that reformers will win important victories in the near future. But health care reform is an issue that will not disappear from American politics, and significant policy changes remain possible. The dismissal of all such changes as doomed is yet another hasty overreading of the failure of the Clinton reform effort.

⁴³ Richard Benedetto, ‘Education tops list of public’s concerns in poll: respondents also tag health care, social security as priority issues’, *USA Today*, 13 January 1999, p. A13; Mollyann Brodie and Robert J. Blendon, ‘The Public’s Contribution to Congressional Gridlock on Health Care Reform’, *Journal of Health Politics, Policy and Law*, 20 (1995), 403–10.

⁴⁴ This is the general conception of public opinion articulated by John R. Zaller in *The Nature of Mass Opinion* (New York: Cambridge University Press, 1992).

⁴⁵ Jacob S. Hacker and Theda Skocpol, ‘The New Politics of US Health Policy’, *Journal of Health Politics, Policy and Law*, 22 (1997), 315–38.

LESSONS FOR POLITICAL SCIENCE

As these examples suggest, lesson-drawing is neither simple nor easy. History is the most important teacher we have, but history teaches complex lessons. Learning from history requires that we probe beneath the surface of events and that we think seriously about the kinds of lessons we can and cannot legitimately assert. It also requires that we follow some basic ground-rules for historical comparison and counterfactual analysis.

Historical lessons are Janus-faced. Like other forms of political inquiry, they are meant to say something meaningful about how the political world works. This in turn requires specifying, if only implicitly, the cause-and-effect relationships that undergird specific historical outcomes. Yet a lesson is more than a causal explanation of a historical event. It is also a prescription meant to influence current or future political practice – to contribute to a process of social learning that will shape political action or policy design.⁴⁶ Historical lesson-drawing thus straddles political science and policy making. It is, or at least should be, a central contribution made by political analysis to actual political practice. By the same token, lesson-drawing is, or at least should be, a form of political analysis that is actively and thoughtfully engaged in by public officials, political commentators, journalists and policy advocates, not just by political scientists or policy specialists. ‘In government and outside,’ observe Richard Neustadt and Ernest May, ‘decision-makers use history now. They draw every day on the past experiences of other people. They assign aides bits and pieces of historical research ... They look at a great many words on paper.’⁴⁷ The question then is not whether history will be used by policy makers, but whether it will be used well or badly, consciously or unconsciously, with care or without.

This is no less true for political scientists. In the past decade, history has come to play an increasingly prominent role in the study of politics and public policy.⁴⁸ The growing body of research grouped under the rubric of ‘historical institutionalism’ has expressed a core concern with the long-term historical roots of contemporary political behaviour and institutions.⁴⁹ In recent years,

⁴⁶ On social learning, see Hugh Hecló, *Modern Social Politics in Britain and Sweden: From Relief to Income Maintenance* (New Haven, Conn.: Yale University Press, 1974), pp. 304–22.

⁴⁷ Richard Neustadt and Ernest May, *Thinking in Time: The Use of History for Decision-Makers* (New York: Free Press, 1988), p. 1.

⁴⁸ For explanations and evidence of the increasing prominence of historical analysis in the social sciences, see Terrence J. McDonald, ed., *The Historic Turn in the Human Sciences* (Ann Arbor: University of Michigan Press, 1996).

⁴⁹ See, for example, Peter B. Evans, Dietrich Rueschemeyer and Theda Skocpol, eds, *Bringing the State Back In* (New York: Cambridge University Press, 1985); Sven Steinmo, Kathleen Thelen and Frank Longstreth, eds, *Structuring Politics: Historical Institutionalism in Comparative Analysis* (New York: Cambridge University Press, 1992); Peter A. Hall, *Governing the Economy: The Politics of State Intervention in Britain and France* (Cambridge: Polity Press, 1986); Kathleen Thelen, ‘Historical Institutionalism in Comparative Politics’ (paper prepared for delivery at the American Political Science Association Annual Meeting, Washington, DC, 1998); Paul Pierson, ‘Path

scholars of world politics have prominently debated the role of diplomatic history in the development and testing of international relations theory.⁵⁰ Rational choice theorists, too, have increasingly turned to historical analysis, rummaging through the historical record to find illustrative examples of social choice processes or reinterpreting familiar historical stories through the rational choice lens.⁵¹ By exploring the link between past and present and highlighting the role of path dependence and critical historical junctures, the turn to history in political analysis has surely been salutary. Nevertheless, it has occurred without much attention to the logic of using history in political analysis, and the style of historical enquiry that it has fostered is too often mechanical and deterministic. Thus political scientists would also benefit from greater attention to the underlying rationale and method of historical lesson-drawing.

Historical Comparison and Analogies

To learn from the past is to make a comparison – between the past and the present, the past and some future state, or between the past and some alternative counterfactual scenario that departs from what actually happened in the past in specified ways. As such, drawing lessons from history is a comparative exercise and should conform to the general methods of comparative analysis.⁵² Since at

(F'note continued)

Dependence and the Study of Politics' (paper prepared for delivery at the American Political Science Association Annual Meeting, San Francisco, 1996), and 'Not Just What, but *When*: Issues of Timing and Sequence in Comparative Politics' (paper prepared for delivery at the American Political Science Association Annual Meeting, Washington, DC, 1998).

⁵⁰ See, for example, Tetlock and Belkin, *Counterfactual Thought Experiments in World Politics*, and the special 1997 issue of *International Security* on 'History and Theory'.

⁵¹ See, for example, William H. Riker, *The Art of Political Manipulation* (New Haven, Conn.: Yale University Press, 1986); Robert Bates, Avner Greif, Margaret Levi, Jean-Laurent Rosenthal and Barry R. Weingast, eds, *Analytical Narratives* (New York: Cambridge University Press, 1998); Douglas C. North, *Structure and Change in Economic History* (New York: Norton, 1981), and *Institutions, Institutional Change, and Economic Performance* (New York: Cambridge University Press, 1990); Douglas C. North and Barry W. Weingast, 'The Evolution of Institutions: Governing Public Choice in 17th Century England', *Journal of Economic History*, 49 (1989), 803–32; Margaret Levi, *Of Rule and Revenue* (Berkeley: University of California Press, 1988).

⁵² This logic has been best articulated in the context of cross-national analysis, as in Arend Lijphart, 'The Comparable-Cases Strategy in Comparative Research', *Comparative Political Studies*, 8 (1975), 158–77; and Adam Przeworski and Henry Tuene, *The Logic of Comparative Social Inquiry* (Malabar, Flor.: Robert E. Krieger Publishing, 1970). There are, however, a few treatments of historical comparison, including: Theda Skocpol and Margaret Somers, 'The Uses of Comparative History in Macrosocial Inquiry', *Comparative Studies in History and Society*, 65 (1980), 174–97; Neustadt and May, *Thinking in Time*; Ira Katznelson, 'Structure and Configuration in Comparative Politics', in Mark Irving Lichbach and Alan S. Zuckerman, eds, *Comparative Politics: Rationality, Structure, and Culture* (New York: Cambridge University Press, 1997); and James D. Fearon, 'Counterfactuals and Hypothesis Testing in Political Science', *World Politics*, 43 (1991), 169–95. With the exception of my discussion of counterfactuals, much of the following advice applies to all forms of comparative analysis and draws on basic rules of non-experimental causal inference.

As Joseph White has reminded me, however, verifying causal claims may not be the only aim of drawing lessons from history. Analysts and policy makers may also look to the past to gain a better

least the appearance of John Stuart Mill's *A System of Logic* more than 150 years ago, the basic strategy of comparative inquiry has been clear.⁵³ When dealing with non-experimental research questions for which there are only a limited number of available cases, analysts should compare cases that allow them to hold as many factors constant as possible so that they can isolate the particular causal relationships that they believe exist. In practice, this means that those looking to the past for lessons should pay close attention to the changing *goals* and *strategies* of political actors, the evolving historical *context* within which political action occurs, and the *tenability* of alternative counterfactual scenarios.

Goals change. In the Progressive Era, health care reformers wanted to protect workers from the drops in income that accompanied sickness. In the 1940s, they wanted to give all Americans access to the mainstream of American medicine. And in the 1990s, they wanted simultaneously to restrain medical costs and expand health insurance coverage. In a broad sense, all these movements demanded comprehensive health care reform, but the character of that demand and the political challenges it entailed differed from episode to episode. An even more fundamental transformation has occurred in the politics of the welfare state.⁵⁴ For much of the twentieth century, struggles over the welfare state centred on the question of expansion. Today, they are as likely to concern programmatic retrenchment. This shift in goals has altered the politics of the welfare state, because 'there is a profound difference between extending benefits to large numbers of people and taking benefits away.'⁵⁵ Our understanding of welfare state expansion may therefore not be a good guide to understanding retrenchment, despite the fact that both concern the welfare state.

Like goals, political strategies also change. One reason they do so is that political actors are conscious, creative agents capable of adjusting their behaviour in response to past experiences. Thus a president unable to achieve what he wants through legislative action may try to use administrative means instead. Or interest groups may try to raise public support for their position through grassroots advocacy when they find themselves unable to get what they want through inside lobbying. Nevertheless, goals and strategies are closely

(F'note continued)

appreciation of the range of variables that affect certain political processes, to understand how people conceived of their actions or contexts, or simply to find out what prior events led up to the present situation. Moreover, if analysts wish to make generalizations that approach universal laws of politics, they will want to look not at similar cases but at a wide range of dissimilar cases – a technique that will offer strong support for their findings if all the cases display the same basic causal relationship. For example, if health care reform proposals actively opposed by the medical profession are defeated under all circumstances, that would be extremely strong evidence for the claim that the absence of such opposition is a precondition for reform. The problem, however, is that widely divergent cases exacerbate the problem of isolating causal effects, especially when – as is usually the case – analysts are not quite certain which variables influence the outcome they are trying to account for. The advice here is based on the assumption that comparisons will only be made between a fairly small number of cases, indeed, at the extreme, between only two.

⁵³ John Stuart Mill, *A System of Logic* (London: Longman, Green, 1930 [1843]).

⁵⁴ Paul Pierson, 'The New Politics of the Welfare State', *World Politics*, 48 (1996), 143–79.

⁵⁵ Pierson, 'New Politics of the Welfare State', p. 144.

linked. A change in strategy may not require sacrificing an ultimate goal, but it usually requires changing the intermediate steps by which that goal will be achieved.

Those who wish to draw lessons from history need to be attentive to the reality that goals and strategies change. Otherwise, they may draw conclusions from past events that are partially or entirely inapplicable to present (or future) politics. Theda Skocpol recounts the story of a high-level policy adviser in the Clinton White House who justified the administration's vague advocacy of its health care reform proposal by noting that 'President Kennedy committed this country to going to the moon. He did not say we'll use a three-stage Saturn V rocket with a tracking station in New Guinea, New Mexico, and New Zealand.'⁵⁶ As Skocpol emphasizes, however, 'There is a huge difference between the technical undertaking of sending rockets to the moon and a necessarily politically contentious effort to reform institutional and social relationships affecting one-seventh of the US economy'.⁵⁷ Similarly, conclusions about what is now possible in the health policy field need to be grounded in an understanding of the varied political constraints that different proposals encounter. The failure of the Clinton plan does not, for instance, mean that modest insurance reforms cannot be passed. Nor does it suggest that piecemeal regulations of the medical sector or partial coverage expansions will inevitably fail.

Another barrier to comparison across time is the particularities of historical context. Some historians and interpretive social scientists believe that historical context is unique and irreducible, and that the task of the analyst is to understand the 'more or less unique configuration of circumstances that caused and resolved a situation'.⁵⁸ Comparison, in this view, is hazardous at best and quixotic at worst, for it necessarily requires sifting away some of the rich contextual environment in which particular historical events take place. Yet even if one does not accept this view – and there are good reasons to resist it – the importance of historical context cannot be ignored. Political interaction takes place at particular moments, within a web of events and processes that will never be exactly duplicated. The difficult task of the analyst is to draw out general lessons from these particularities, while remaining aware of the limited range of application that those lessons will necessarily have.

During the health care reform debate, for example, President Clinton's health care reform proposal was commonly compared to the Social Security Act, presumably on the grounds that both proposals were intended as landmark additions to the American welfare state. The comparison, however, ignored the enormous difference between the New Deal era and the present day, not just in terms of the political strength of the president but, more fundamentally, in terms of the budgetary and programmatic contexts in which each initiative was

⁵⁶ Skocpol, *Boomerang*, p. 130.

⁵⁷ Skocpol, *Boomerang*, p. 130.

⁵⁸ Richard Rose, *Lesson-Drawing in Public Policy: A Guide to Learning Across Time and Space* (Chatham, NJ: Chatham House, 1993), p. 84.

fashioned. Social Security entered nearly uncharted policy territory with few organized stakeholders to oppose it, whereas Clinton's plan promised to reshape a dense network of private and public institutions, and to do so in a fiscal climate distinctly hostile to large new federal outlays.⁵⁹

The problem of contextual particularity may seem to pose more difficulties than the problem of changing goals and strategies. Yet the deep background features of politics do not change rapidly, making it frequently possible to hold context roughly constant across short stretches of time. The basic constitutional structure of American government has been remarkably stable, even as its constituent institutions have evolved and the actors within it have changed. In the short term, new public policies usually do not depart fundamentally from old ones, and the regular cycles of politics – elections, appointments, budgets – follow generally predictable patterns. When looking back to the not so distant past and drawing lessons for the present or near future, it is frequently possible to assume something close to 'unit homogeneity' – the critical requirement that the causal effects of a particular factor are constant across two or more cases (or, put more strongly, that the expected value of the dependent variable given a particular value of the independent variable is constant across cases).⁶⁰

Nevertheless, the assumption of contextual continuity needs to be justified. Lessons should be drawn from past historical episodes in which the key background conditions are as similar as possible to those of the period to which the lesson is meant to apply. Although this is often referred to as the '*ceteris paribus* assumption,' it is important to note that all else does not need to be literally equal to allow comparison between two or more cases.⁶¹ Instead, the cases must simply not differ in respects that would interfere with our conclusions. So long as discordant background conditions do not systematically affect the causal relationships we are interested in, then our inferences will be valid even if background conditions are not constant. Indeed, every time we compare historical cases or even conduct a multivariate statistical analysis, we exclude a vast range of factors from consideration because we believe that they do not have any material effect on the causal relationship that we are examining. The point, then, is not that such simplification is inappropriate, but that it requires some theoretical grounding as well as some acknowledgment of any dissimilar conditions that might undermine comparability. As we shall see, the *ceteris paribus* assumption ultimately rests on a specific counterfactual claim – namely, that if the historical details that we believe to be irrelevant had been different or absent, the relevant causal relationships would have been the same.

⁵⁹ Jacob S. Hacker, 'The Historical Logic of National Health Insurance: Structure and Sequence in the Development of British, Canadian, and U.S. Medical Policy', *Studies in American Political Development*, 12 (1998), 57–130.

⁶⁰ Gary King, Robert O. Keohane and Sidney Verba, *Designing Social Inquiry: Scientific Inference in Qualitative Research* (Princeton, NJ: Princeton University Press, 1994), pp. 91–4.

⁶¹ Cf. Rose, *Lesson-Drawing in Public Policy*, p. 86. ('The fundamental problem of analogies is that historical details are ignored; instead, it is assumed that *all* other conditions remain equal between past and present.')

In the long run, the assumption of continuity in historical context is likely to be violated.⁶² Even incremental changes in existing policies may eventually constitute a dramatic break with the past, as the growth of the US federal budget reveals.⁶³ Large, often exogenously determined, shocks to the political environment may also occur, creating ‘critical junctures’ that fundamentally transform political relations and institutions.⁶⁴ Such dramatic changes limit the applicability of lessons drawn from the past, because they challenge the assumption of contextual continuity on which accurate lesson-drawing depends. When comparing across a small number of cases, we are always assuming that the historical context within which an event occurs is either similar across cases or causally irrelevant, neither of which is likely to be true when making comparisons across vast lengths of time or between otherwise extremely dissimilar cases.

Counterfactual Reasoning

An alternative method of drawing historical lessons – both more difficult to do properly and less well understood – is counterfactual analysis.⁶⁵ Counterfactuals are propositions about events that did not occur designed to validate hypotheses about the causes of events that did occur. They take the generic form, ‘If it had been the case that *C* (or not *C*), it would have been the case that *E* (or not *E*).’⁶⁵ The commentary on the demise of the Clinton health care reform has offered a veritable blizzard of such counterfactual claims, most of them intended to show that had Clinton or his allies done something differently (*C*), then the outcome of the health care reform debate would have been different and usually more successful (*E*). On the left, critics of the Clinton administration have argued that had Clinton seized on the single-payer approach and campaigned for it vigorously, he would have achieved universal health insurance coverage or at least laid the groundwork for its achievement. On the right, critics have argued that had Clinton moved immediately to embrace incremental insurance market reforms, he would have been able to achieve substantial reform. Many in the news media contend that Clinton squandered his chance for bipartisan, compromise legislation by fashioning a proposal in a secretive task force that excluded Republicans and by failing to reach out to business and insurance groups from the beginning of the debate.

Counterfactual arguments are easy to make and hard to test. History is not an experiment that can be repeated again and again in slightly different ways. For that reason, historians tend to be sceptical of counterfactual reasoning, and

⁶² Rose, *Lesson-Drawing in Public Policy*, pp. 88–90.

⁶³ M. A. H. Dempster and Aaron Wildavsky. ‘On Change: or, There is No Magic Size for an Increment’, *Political Studies*, 27 (1979), 371–89.

⁶⁴ On the notion of ‘critical junctures’, see Ruth Berins Collier and David Collier, *Shaping the Political Arena: Critical Junctures, the Labor Movement, and Regime Dynamics in Latin America* (Princeton, NJ: Princeton University Press, 1991), especially p. 29.

⁶⁵ Fearon, ‘Counterfactuals and Hypothesis Testing in Political Science’, p. 169.

political scientists, dismissive.⁶⁶ As James Fearon reminds us, however, counterfactual ‘propositions play a necessary and fundamental, if often implicit and underdeveloped, role in the efforts of political scientists to assess their hypotheses about the causes of the phenomena they study.’⁶⁷ In the first place, our understanding of causality, that *A* causes *B*, is itself intimately linked to a counterfactual statement – that *B* would not have occurred in the absence of *A*.⁶⁸ The use of counterfactuals is also closely related to method of causal inference based on the comparison of actual cases. In small-N, comparative analysis, researchers generally choose cases that are identical in all relevant respects except with regard to the hypothesized causal factor.⁶⁹ Rather than ask the counterfactual question ‘What would have happened to *E* if *C* had occurred (or taken on a different value)?’ the analyst contrasts the case in question with other comparable cases in which *C* is present (or takes on a different value).⁷⁰

Nevertheless, counterfactual propositions obviously pose distinctive difficulties as a technique of causal analysis. How, for example, are we to assess the validity of counterfactual propositions? If we cannot rewind history and repeat it with different actors, strategies or forces, then how can we say that one counterfactual scenario is more plausible than another? And how should we construct our counterfactual claims? Should they be as close as possible to what actually happened, or should we try to think of wholly different paths of historical development? Can we suggest any alternative scenario that we want, or do our claims have to be grounded in some prior theoretical understanding of what, in reality, could have happened?

By and large, those who have criticized the Clinton administration or suggested alternative strategies have not been very explicit about which decisions, in particular, should have been made differently and what would have

⁶⁶ Interest in counterfactual analysis has increased in the last decade among historians and political analysts. See, for example, Tetlock and Belkin, *Counterfactual Thought Experiments in World Politics*; Fearon, ‘Counterfactuals and Hypothesis Testing in Political Science’; Geoffrey Hawthorn, *Plausible Worlds: Possibility and Understanding in History and the Social Sciences* (New York: Cambridge University Press, 1991); William H. Honan, ‘Historians warming to games of “what if”’, *New York Times*, 7 January 1998, p. B7; Niall Ferguson, *Virtual History: Alternatives and Counterfactuals* (London: Picador, 1997). Nevertheless, the purpose and rules of counterfactuals are still not well understood (and, indeed, are not discussed at all in the two leading primers on lesson-drawing: Rose’s *Lesson-Drawing in Public Policy* and Neustadt and May’s *Thinking in Time*). Many historians and political analysts still appear to concur with the categorical judgement of Herder, who warned, ‘History is the science of what is, not that which, according to secret intentions of fate, might have been’ (quoted in Alexander Demandt, *History That Never Happened: A Treatise on the Question What Would Have Happened If ...?* 3rd edn (Jefferson, NC: McFarland, 1993), p. 1).

⁶⁷ Fearon, ‘Counterfactuals and Hypothesis Testing in Political Science’, p. 169.

⁶⁸ King, Keohane and Verba, *Designing Social Inquiry*, p. 77. The two statements are not, however, identical. As Jon Elster has stressed, there is always the possibility of pre-emptive causation (*C* causes *B* in the absence of *A*) or epiphenomena (*C* causes both *B* and *A*) – both of which vitiate the symmetry between causal and counterfactual claims. See Elster, *Explaining Technical Change: A Case Study in the Philosophy of Science* (Cambridge: Cambridge University Press, 1983), pp. 34–6.

⁶⁹ Skocpol and Somers, ‘The Uses of Comparative History in Macrosocial Inquiry’, pp. 181–7.

⁷⁰ Fearon, ‘Counterfactuals and Hypothesis Testing in Political Science’, p. 171.

happened if they had. The same has been true of those who suggest that certain key events or decisions – the failure to put the plan forward in early 1993, the inability of Clinton to pass health care reform via the budget reconciliation process, the indictment of Dan Rostenkowski on ethics charges – were critical in determining the eventual outcome. A simple but important ground rule for those making counterfactual claims, therefore, is to be explicit about how such scenarios depart from what actually happened. This does not mean that counterfactual claims must provide determinate predictions about what would have happened under alternative conditions. For reasons explored later in this article, I believe that probabilistic claims are the best that political scientists can develop. It does mean, however, that counterfactual scenarios should be made as clear and detailed as possible.

Counterfactual propositions require theories about how the world works. To state what would have happened if some counterfactual antecedent *C* had occurred, we need to have some model of the effects that events like *C* generally have. Although this may seem self-evident, it is a crucial limit on our ability to develop compelling counterfactual scenarios. Political scientists, much less everyday observers of politics, generally have at their disposal fairly crude theories of politics that are capable of handling only certain kinds of causal interactions in certain domains of political life. For this reason, counterfactual analysis, more perhaps than other analytic techniques, is hostage to the state of our knowledge about the social world. A counterfactual argument is always open to the challenge that it gets the basic story wrong, a charge that is much less common when actual cases are involved.

A related concern is that a counterfactual scenario is invalid not because it is based on faulty causal theories, but because the proposed causal antecedent could not have occurred in the first place. Jon Elster argues, for instance, that counterfactual propositions are not ‘legitimate’ if we have good theoretical reason to believe that the counterfactual antecedent lies outside the bounds of the historically possible.⁷¹ This he calls the ‘scissors problem’, because the very theories that help us assess what would have happened if things had been different in the past may also tell us that things could *not* have been different in the past.⁷² It is frequently claimed, for example, that had President Clinton moved more quickly with his health care reform proposal, he would have had a much better chance of success.⁷³ The response that is often heard is that Clinton could not have moved faster than he did. The inability to put health care reform in the budget, the battle over his deficit-reduction package and the distraction caused by foreign crises in Haiti, Somalia and Russia – all would have pushed back the introduction of his proposal until late 1993 regardless of how quickly it had been developed.⁷⁴ Similarly, a chorus of critics on the left

⁷¹ Elster, *Explaining Technical Change*, pp. 38–9.

⁷² Elster, *Explaining Technical Change*, p. 38.

⁷³ Adam Clymer, Robert Pear and Robin Toner, ‘For health care, time was a killer’, *New York Times*, 29 August 1994, p. A1.

⁷⁴ James Fallows, ‘A Triumph of Misinformation’, *Atlantic Monthly* (January 1995), pp. 26–37.

has charged that Clinton would have been better served to embrace a full-fledged single-payer proposal for national health insurance.⁷⁵ Others respond that this is not a realistic counterfactual scenario, because everything we know about President Clinton suggests he would never have embraced the single-payer option.⁷⁶ In both examples, what is at issue is not the argument that *E* would have been different if *C* had occurred but the claim that *C* could have occurred at all.

That *C* could not have happened is not, however, an adequate reason to dismiss a counterfactual scenario. To see this more clearly, we need to distinguish between two common motives for employing counterfactuals: to outline alternative paths of historical development (the use favoured by historians) and to evaluate particular causal relationships (the use favoured by social scientists). Although counterfactual scenarios premised on historically impossible antecedents may be illegitimate from the first perspective, they can nevertheless provide vital information from the second, helping us discern which factors were causally important and which were not. Theodore Marmor and Morris Barer, for example, claim that even if Clinton had introduced his reform proposal early in his first year in office, he was not likely to have succeeded in enacting legislation even remotely close to it.⁷⁷ Regardless of whether the delay in the introduction of the plan was avoidable, their argument poses a challenge to the claim that it was critical to the plan's defeat. The historical possibility of *C*, in other words, does not have a direct bearing on the causal relationship between *C* and *E*.⁷⁸

The scissors problem does, however, point to a broader issue, which James Fearon, following Nelson Goodman, calls 'cotenability'.⁷⁹ Cotenability refers to the consistency between the counterfactual antecedent, on the one hand, and the set of background conditions that we assume to be true both in the counterfactual scenario and in the actual historical event, on the other. It is violated when changing a particular element of a historical event – for example, the timing of the introduction of the Clinton plan – also implies changing other elements whose alteration, we have reason to believe, will *also* affect the relevant outcome. The counterfactual antecedent in these instances is not 'cotenable' with the historical facts of the case, because it would require other causally important changes in our counterfactual scenario. For example, an argument that one sometimes hears about the failure of health care reform in 1994 is that the self-styled 'mainstream coalition' of moderate Republicans and

⁷⁵ For example, Vincente Navarro, 'Why Congress Did Not Enact Health Care Reform', *Journal of Health Politics, Policy and Law*, 20 (1995), 455–62, p. 460.

⁷⁶ Skocpol, *Boomerang*, p. 179.

⁷⁷ Theodore R. Marmor and Morris L. Barer, 'The Politics of Universal Health Insurance: Lessons for and from the 1990s', in Theodore J. Litman and Leonard S. Robins, eds, *Health Politics and Policy*, 3rd edn (Albany, NY: Delmar, 1997), pp. 306–22, at p. 314.

⁷⁸ Fearon 'Counterfactuals and Hypothesis Testing in Political Science', pp. 192–3.

⁷⁹ Fearon, 'Counterfactuals and Hypothesis Testing in Political Science', p. 93; Nelson Goodman, 'The Problem of Counterfactual Conditionals', *Journal of Philosophy*, 44 (1947), 113–38.

conservative Democrats emerged too late in the debate. If this coterie of centrist legislators had come together earlier, the argument goes, then it might have been able to develop a stripped-down legislative proposal that could have gained sufficient congressional support to be enacted. This argument, however, elides the question of whether members of Congress would have felt any pressure to search for or accept a minimal legislative compromise in the absence of a year-long unsuccessful push for a massively comprehensive reform proposal. Is it reasonable, in other words, to assume that had the mainstream coalition emerged earlier, the other conditions that conduced to encourage reformers to seek a face-saving compromise would also have been present? If not, then the counterfactual scenario envisioned by the mainstream coalition's celebrants is not cotenable.⁸⁰

The requirement of cotenability is the analogue of the recommendation that historical lessons be drawn from cases as close as possible to the situations to which they will be applied. Both rules rest on the notion that analysts should try to isolate the effect of particular factors by holding constant all other factors that are systematically related to the causes and outcome that they wish to explain. A counterfactual scenario should entail as few alterations in what actually happened as possible, for every new factor whose causal effect must be weighed requires a new counterfactual scenario.⁸¹ If we want to say, for example, that conservative strategist William Kristol's memos counselling Republicans against compromise were a more important cause of health care reform's demise than the indictment of Rostenkowski, then we need at least two counterfactual scenarios: one in which Kristol's memos appeared but Rostenkowski survived, and the other in which the memos did not appear and Rostenkowski was deposed. Interaction among variables forces us to develop even more scenarios.

In practice, counterfactual scenarios will be difficult to apply to any moderately intricate political episode in which the outcome we wish to explain is the result of a confluence of variables intersecting in sometimes highly complicated ways. This is the problem that political scientists speak of when they say that an event was 'overdetermined'. The defeat of the Clinton plan was the result of scores of factors, the absence of any one of which almost certainly would not have changed the eventual outcome. Pulling out each of these factors one by one, saying that the outcome would have been the same without it, and concluding thereby that the factor was casually unimportant would lead to the

⁸⁰ Fearon draws a sharp theoretical line between cotenability and Elster's notion of 'legitimacy'. But as the example above suggests, the two are often difficult to disentangle. That we believe that an element of an historical event could not have occurred differently than it did usually means that the specific features of the event that we wish to change were deeply enmeshed with other features that would likely have their own effects on the outcome in question. Conversely, the features of an event that we view as least inevitable – for example, strategic decisions by policy makers – are often those that we could imagine being different without changing the myriad background conditions that we assume to remain constant across the counterfactual scenario and the actual historical event.

⁸¹ Fearon, 'Counterfactuals and Hypothesis Testing in Political Science', p. 178.

absurd conclusion that *none* of the individual factors was implicated in the final outcome.⁸² And it would likely violate the cotenability requirement as well, since many of these factors cannot be separated from one another without fundamentally altering the facts of the case. There is no ready solution to this problem. We would do best in these instances to focus on the impact of causes that are least likely to violate the cotenability requirement, such as strategic choices made at critical junctures that we believe could have been made differently.⁸³ We may also want to change the outcomes that we are interested in explaining – not asking, for example, why the Clinton plan died, but why Clinton chose the reform approach that he did.⁸⁴ Ultimately, however, the limits of counterfactual analysis reflect the limits of our ability to predict the outcome of multifaceted political interactions. Those limits are not just imposed by the shortcomings of our theory and data but also by important characteristics of the political world itself.

THE UNCERTAINTY OF POLITICS

Political outcomes appear uncertain. I use ‘uncertain’ in the casual sense here, to mean that participants in – and analysts of – politics do not know exactly what outcomes will result from a given set of political interactions. They can, to be sure, come up with probabilistic statements about outcomes, such as ‘It is extremely unlikely that President Clinton’s reform plan will be passed by Congress’. Sometimes they will be virtually certain what an outcome will be. But at a fundamental level, political outcomes remain uncertain. Whether that uncertainty is subjective – a reflection of our necessarily limited understanding of the causal laws governing the world and the intentions of other actors – or objective – inherent in nature, the social world, or both – is an extremely contested question. Most of the discussion that follows is agnostic on the question of whether uncertainty in politics is subjective or objective.

Commentators on the health care reform debate of 1993–94 seem to be of two minds on the question of whether political outcomes are uncertain. On the one hand, few were willing to go out on a limb in 1993 and predict that Clinton’s plan would or would not be enacted (those who did were frequently wrong). Predictions were couched in vague language, carefully hedged with qualifiers and crafted to offer an exit strategy if things turned out other than expected. On the other hand, the after-the-fact commentary on the Clinton plan has bristled with certitude about the inevitability of what happened and with contempt for those who predicted otherwise. I will argue shortly that this kind of retrospective certainty is a common and debilitating feature of political analysis. For now, however, I want to focus on the causes of uncertainty in politics, using the commentary on the health care reform debate as my main empirical referent.

⁸² Elster, *Explaining Technical Change*, p. 34.

⁸³ Fearon, ‘Counterfactuals and Hypothesis Testing in Political Science’, p. 193.

⁸⁴ Hacker, *The Road to Nowhere*.

Why do political outcomes appear uncertain? Although I cannot claim to offer a definitive answer, I will briefly suggest five, partially overlapping causes of uncertainty (or the appearance of uncertainty) in the political world: contingency, imperfect information, the existence of multiple equilibria, probabilistic causal relations and human free will.

Contingency

'Contingency' is, as one slightly jaded political scientist suggested to me, the catchphrase analysts use to describe all those things they do not understand. Here I use the term to mean 'unexpected', 'unforeseen', 'liable but not certain to happen'. Contingency might be thought of as the residual randomness that inheres in politics even after we have taken into account all the elements of structure and routineness. Saying that there are contingent elements to political processes is not to forswear describing, explaining or even forecasting those processes.⁸⁵ It is, however, to admit that those processes retain a certain inherent unpredictability, whether it be a reflection of the limits of our models, the randomness actually existing in the world, or both.

Perhaps the most common way in which political scientists speak of contingency is in terms of exogeneity. Some factors, some events, are treated as exogenous to the processes being explained. Our models account for but do not explain them. The importance of such exogenous factors depends in part on whether we believe that politics will return to some equilibrium after external events intervene. In equilibrium models, political processes are dominated by negative feedback, with perturbations inciting countervailing pressures that bring politics back into equilibrium. If, by contrast, political processes are not dominated by negative feedback, then even small or happenstance events can have large eventual consequences as their effects multiply over time. Indeed, this is one of the key claims of the models of path dependence that have become central to the natural sciences as well as to economics and, increasingly, political science.⁸⁶

In accounts of the health care reform debate, contingency enters in most frequently in reference to unexpected or unrelated events that intervened during the Clinton reform effort, such as the Whitewater scandal and the death of Hillary Clinton's father. No theory of health politics should be expected to account for Whitewater or Hugh Rodham's death (although it may well be expected to account for the fact that presidents are frequently distracted by external occurrences). Such events are quite properly seen as exogenous from

⁸⁵ John W. Kingdon, *Agendas, Alternatives, and Public Policies*, 2nd edn (New York: HarperCollins, 1995), pp. 222–5.

⁸⁶ See Pierson, 'Path Dependence and the Study of Politics'; North, *Institutions, Institutional Change, and Economic Performance*; and Mark J. Roe, 'Chaos and Evolution in Law and Economics', *Harvard Law Review*, 109 (1996), 641–68. For a sceptical appraisal of theories of path-dependence in economics, see S. J. Leibowitz and Stephen Margolis, 'Path Dependence, Lock-In, and History', *Journal of Law, Economics, and Organizations*, 11 (1995), 205–26.

– and therefore contingent from the standpoint of – the political processes under consideration.

Contingency should be seen as an inherent and fundamental aspect of our theories of politics and not just as something ‘outside our models’. Statistical researchers, for instance, include an error term in their regression analyses in order to capture the stochastic relationship between the dependent and independent variables (with the crucial assumption, however, that the error terms cancel out across observations). As Gary King, Robert Keohane and Sidney Verba argue, this stochastic component affords two interpretations. It can, on the one hand, be seen as a reflection of our limited understanding of the world and of our crude technologies for measuring and explaining social phenomena. In this view, ‘the division between systematic and stochastic variation is imposed by the *analyst* and depends on what explanatory variables are available and included in the analysis. Given the right explanatory variables, the world is entirely predictable.’⁸⁷ On the other hand, the world may actually exhibit stochastic qualities and ‘even if we measured all variables without error, collected a census (rather than only a sample) of data, and included every conceivable explanatory variable, our analyses would still never generate perfect predictions’.⁸⁸ These two views converge, however, if we assume – as we must – that our models and variables remain highly imperfect. Whether or not the real world is inherently unpredictable, therefore, political scientists must account for both structure and contingency in their theories of politics.

Imperfect Information

Although ‘imperfect information’ is a term that is used promiscuously in contemporary political science, it actually emerged from the fast-growing field of information economics.⁸⁹ In game-theoretic and economic models premised on perfect information, all actors have complete knowledge both of the payoffs of each player’s actions and of the past actions of other players. This means that when a unique equilibrium outcome exists, rational actors will converge on it – as they do in certain game-theoretic models of social co-operation. When information is imperfect, however, this confident prediction is not possible. Actors must weigh the cost of obtaining information, they must act on the basis of their subjective, perhaps incorrect perceptions of the preferences of others and of the world around them, and they may in fact fail to converge on an equilibrium outcome even if one exists.⁹⁰

Imperfect information is at the heart of much of the strategic uncertainty that characterizes political bargaining and conflict. In 1993 and 1994, for example,

⁸⁷ King, Keohane, and Verba, *Designing Social Inquiry*, p. 59.

⁸⁸ King, Keohane, and Verba, *Designing Social Inquiry*, p. 59.

⁸⁹ For an accessible review, see Terry M. Moe, ‘The New Economics of Organization’, *American Journal of Political Science*, 28 (1984), 739–78.

⁹⁰ North, *Institutions, Institutional Change, and Economic Performance*, pp. 107–17.

many of the key political actors in the health care reform debate seemed quite unsure of what other political actors really wanted and of how their actions would be viewed by interest groups and the public (at times, indeed, it seemed as if the actors themselves were not sure what they wanted). How far would moderate Republicans move towards Clinton's position? What about conservative Democrats? What kinds of bills would the committees produce? What did Senator Daniel Patrick Moynihan want? How would business groups react to different plans? What about the public? It could be argued, of course, that even had all the key actors known the answers to these and other questions, the eventual outcome would have been the same. As John Gilmor points out, contending political factions may deadlock even when they have perfect information, either because a zone of agreement does not exist or because one or more factions sees a political advantage in continued stalemate.⁹¹ With its large stakes for both parties, health care reform certainly seems to present a classic case of such 'strategic disagreement'. But an argument can also be made that had the key actors known the others' basic goals and preferences, they might have found it possible to reach a majority compromise, as they did in 1996 with the passage of the modest Kassebaum–Kennedy health insurance reform bill and in 1997 with the authorization of new funds for state-based children's health insurance programmes.

Multiple (or Non-existent) Equilibria

Another fundamental source of uncertainty suggested by rational actor models and game theory is the existence of multiple equilibria. Here the problem is not imperfect information, but the existence of more than one outcome that constitutes an equilibrium for the players in the game. More problematic, if perhaps less common, are games in which no equilibria exist at all.

Multiple equilibria are ubiquitous in game theory. Indeed, the 'folk theorem' concerning repeated games suggests that 'any outcome that gives each player no less than she could get on her own can be stable' and that this 'is true not only for infinitely repeated games, but for games in which the number of repetitions is finite (provided this number is sufficiently large) if there is incomplete information'.⁹² Consider a very simple co-ordination game in which two players have to agree separately to meet in one of two places, both of which are equally attractive to each of them. Not only are there two possible equilibrium outcomes in this case, but barring the existence of some 'focal point' around which to co-ordinate strategies, neither player is able to even formulate expectations about the other player's strategy. Similar and politically more profound problems arise when alternative equilibria result in different

⁹¹ John B. Gilmor, *Strategic Disagreement: Stalemate in American Politics* (Pittsburgh: University of Pittsburgh Press, 1995).

⁹² George Tsebelis, *Nested Games: Rational Choice in Comparative Politics* (Berkeley: University of California Press, 1990), p. 76.

distributional outcomes for players, in which case the question is not whether co-operation should occur but on whose terms.⁹³ In either instance, outcomes cannot be predicted solely on the basis of a model of rationality, for even rational players cannot anticipate what others will do. Like these simple examples, more realistic games can be – and often are – at once ‘both logically consistent and indeterminate’ with respect to outcomes.⁹⁴

Many of the distributional questions raised by health care reform lend themselves to the types of strategic conflicts that the existence of multiple equilibria should create. The interest group struggle over the Clinton plan, for instance, quickly descended into a fierce hyperpluralism in which each interest demanded reform (often quite sincerely) but then insisted that it would only accept proposals that placed the burden of change on other groups. As the journalist Julie Rovner comments,

Many of these groups (including ones representing business, labor, the medical community, and the insurance industry) ultimately decried Congress’s inability to pass a bill. But to a large extent it was their own fault. Each interest wanted only to cut off one of the patient’s fingers, but each went after a different finger, and the cumulative effect was that the patient bled to death.⁹⁵

Like most other policy disputes, health care reform invites conflict not simply because vested interests wish to defend the status quo but also because changes to the status quo may take several different forms, each with profoundly different distributional outcomes. Even when all of these policy departures represent substantial improvements to the status quo, competing interests may not be able to agree on one of them because their distributional implications are so different.

Probabilistic Causal Relations

Political scientists often disagree about whether their causal theories are probabilistic or deterministic. In the debate over Mancur Olson’s *Logic of Collective Action*, for example, some critics charge that the theory has been falsified because large groups seeking public goods have formed without offering significant selective incentives.⁹⁶ Defenders counter that Olson’s theory makes a comparative claim rather than a point prediction, namely, that all else being equal larger groups and groups with fewer selective incentives will be less likely to form.⁹⁷ Political scientists generally act as if their causal theories

⁹³ Jack Knight, *Institutions and Social Conflict* (New York: Cambridge University Press, 1992).

⁹⁴ Stephen M. Walt, ‘Rigor or Rigor Mortis: Rational Choice and Security Studies’, *International Security*, 23 (1999), 5–48, p. 20.

⁹⁵ Julie Rovner, ‘Congress and Health Care Reform 1993–94’, in *Intensive Care*, p. 179.

⁹⁶ Donald P. Green and Ian Shapiro, *Pathologies of Rational Choice Theory: A Critique of Applications in Political Science* (New Haven, Conn.: Yale University Press, 1994), pp. 79–83.

⁹⁷ Morris P. Fiorina, ‘Rational Choice, Empirical Contributions, and the Scientific Enterprise’, *Critical Review*, 9 (1995), 85–94, pp. 88–9. Fiorina’s contention is not easily squared with Olson’s emphatic point predictions, such as his central claim that ‘unless the number of individuals in a group

should be deterministic. They speak of ‘necessary’ and ‘sufficient’ conditions and lay great emphasis on the veracity of their point predictions. Yet many of the most durable and well-proven propositions in political science are probabilistic rather than deterministic. These claims identify key causal variables and argue that they increase the probability of a given outcome. They do not make unique point predictions and can only be proved or disproved using a number of cases.⁹⁸

The process of political agenda setting, for example, is generally seen in probabilistic terms. Baumgartner and Jones contend that ‘one can model the results of a positive-feedback [agenda-setting] process, but one often has no idea when that process might begin.’⁹⁹ Kingdon notes that ‘within the structure we can specify in the model and observe in the real world, processes like agenda-setting and alternative specification retain a degree of randomness’ and that, as result, ‘a probabilistic model [of agenda setting] ... is more satisfying.’¹⁰⁰ In the case of health care reform, there were a number of fairly predictable factors that made a concerted push for legislative action more likely in the 1990s: the recession of the early 1990s, rising medical costs, the increasing number of uninsured Americans, the growing interest-group and public dissatisfaction with the status quo, the increasing cohesion and political boldness of congressional Democrats, and a series of underlying changes in congressional organization that removed some of the most stubborn institutional impediments to legislative action. But the quite unexpected and dramatic rise to prominence of the issue in 1991 reflected a catalysing ‘focusing event’ that could hardly have been perfectly foreseen: the surprising defeat of Republican Richard Thornburgh by Democrat Harris Wofford in a special Pennsylvania Senate race (which itself was only held because of the death of the Republican incumbent, John Heinz, in a freak aviation accident).¹⁰¹ Because agenda change

(Footnote continued)

is quite small, or unless there is coercion or some other special device to make individuals act in their common interest, *rational self-interested individuals will not act to achieve their common or group interests* [emphasis in original]’ (Mancur Olson, *The Logic of Collective Action* (Cambridge, Mass.: Harvard University Press, 1965), p. 2). But the distinction that Fiorina draws between point predictions and comparative statics nevertheless remains useful for clarifying the difference between probabilistic and deterministic theories.

⁹⁸ Probabilistic causal claims may reflect the probabilistic nature of the world itself or our limited understanding of a deterministic world. There is, however, at least one interesting additional possibility suggested by the concept of mixed strategies in game theory. Mixed strategies are strategies that involve a random selection among two or more pure strategies, according to a particular probability distribution. They occur in games in which neither player has a dominant strategy and in which players do not know which strategy will produce the best outcome, because those outcomes depend on the actions of other players. In these cases, it may be rational to choose among strategies using a random device that results in an appropriate proportional mix of strategies but which leaves every individual choice up to chance. Strategic interaction among rational actors, in other words, may cause outcomes to be probabilistic even if the world is deterministic.

⁹⁹ Baumgartner and Jones, *Agendas and Instability in American Politics*, p. 269.

¹⁰⁰ Kingdon, *Agendas, Alternatives, and Public Policies*, 2nd edn, p. 225.

¹⁰¹ Jacob S. Hacker, ‘National Health Care Reform: An Idea Whose Time Came and Went’, *Journal of Health Politics, Policy and Law*, 21 (1996), 647–96.

is the result of the interaction between large-scale structural forces and small, even happenstance, events and actions, it is far easier and more accurate to quote the odds than to offer deterministic causal claims about the conditions under which an issue will rise to political prominence.

Human Free Will

I have left for last the most philosophically contentious potential source of uncertainty in politics – what I will call, for want of a better phrase, human free will. Social scientists have long sought to emulate the natural sciences, and in particular physics, in their development of rigorous predictive theories. But there is an obvious difference between physics and the social sciences: in the former, the objects under study are lifeless; in the latter, they are conscious agents. Many philosophers of science have seen this not only as a critical reason for the failure of the social sciences to match the natural sciences in terms of theoretical rigour or predictive accuracy, but also as an argument against deterministic conceptions of social action patterned after the model of physical causes and effects.¹⁰²

To be sure, the argument that the social sciences are singular can be taken too far. Many areas of the natural sciences are designed to cope with uncertainty and randomness, many fields in the natural sciences encounter problems analogous to those faced by social scientists, and many aspects of the process of developing and testing a theory are the same in the social sciences as they are in the natural sciences. Furthermore, that people are conscious, choosing agents does not necessarily mean that much of their behaviour is not, in theory, predictable. People may be ‘free to choose’, but their choices may be so conditioned by socialization, biology and outside constraints that their range of options is limited. At the very least, though, the focus on people rather than, say, planets makes prediction and explanation considerably more difficult in the social sciences than it is in some fields of the physical sciences. To predict and explain individual action, social scientists often must ‘get into people’s heads’ to explore individual motives, beliefs and strategies. They may wish to know not only *why* a person acts in a certain way but also *how* that person understands his or her actions.¹⁰³ And they are often concerned with norms and institutions that exist primarily – or even solely – because people share a common belief in their function and status.¹⁰⁴ These analytic challenges simply do not confront researchers working outside the social sciences.

In the context of health care reform, these difficulties might be

¹⁰² Alasdair MacIntyre, *After Virtue: A Study in Moral Theory*, 2nd edn (Notre Dame, Ind.: University of Notre Dame Press, 1984), pp. 88–108; Charles Taylor, *Philosophy and the Human Sciences* (Cambridge: Cambridge University Press, 1985); Isaiah Berlin, *The Proper Study of Mankind* (New York: Farrar, Straus, and Giroux, 1997).

¹⁰³ Charles Taylor, ‘Interpretation and the Sciences of Man’, *Review of Metaphysics*, 25 (1971), 3–51; Clifford Geertz, *The Interpretation of Cultures* (New York: Basic Books, 1973).

¹⁰⁴ John R. Searle, *The Construction of Social Reality* (New York: Free Press, 1995).

called the 'Moynihan problem', in honour of the Clinton administration's frustrating (and ultimately frustrated) efforts in 1993 and 1994 to figure out what the ponderously imponderable chair of the Senate Finance Committee would be willing to support. During the spring and summer of 1994, a veritable cottage industry of Moynihan-watchers emerged in an effort to predict what the unpredictable former Harvard professor's next weighty move or proclamation would be. Clinton and his aides courted Moynihan incessantly, relentlessly, with sometimes hilarious earnestness but invariably without success. Later, they expressed anger about his alleged treachery and stubborn bewilderment about his motives.¹⁰⁵ No doubt the importance of Moynihan's actions has been overstated in journalistic accounts, but his back-and-forth darting through the spring and summer of 1994 surely suggests the difficulties that social scientists face in offering convincing causal explanations (much less predictions) of individual goals and beliefs.

CONCLUSIONS

What does it imply to view political outcomes as uncertain? First, and most obviously, it means that analysts of politics need to temper their predictions. Forecasting the future is a valuable part of political analysis, but it should be done with humility and caution. Analysts should try to state their predictions in probabilistic terms, to provide estimates of the uncertainty of their predictions, and to identify the key factors that could cause outcomes to turn out differently than had been expected. If carefully formulated, such predictions would be no less precise or predictive than flat declarations about the future, and they would allow other analysts to understand the grounds for prediction and the important variables that need to be tracked.

Secondly, the uncertainty of politics thrusts a wedge between prediction and explanation. Following Carl Hempel and other exponents of the deductive-nomological model of explanation, political scientists have tended to see prediction and explanation as symmetrical.¹⁰⁶ To explain a political interaction is to be able to predict its outcome and vice versa. But if politics retains an irreducible element of uncertainty, then we may be able to explain political interactions after the fact without predicting them before the fact. A lively debate

¹⁰⁵ Broder and Johnson, *The System*, pp. 349–58.

¹⁰⁶ Carl G. Hempel, 'The Function of General Laws in History', *Journal of Philosophy*, 39 (1942), 35–48. As Graham Allison and Philip Zelikow endorse this position in the second edition of *The Essence of Decision* (New York: Addison, Wesley, Longman, 1999), 'Predictions or bets about future events are, in effect, the logical flipside of explanations' (p. 9). It is easy to see, however, that this is not true. We can predict with near certainty specific outcomes without having any understanding of the causal mechanisms that cause them, just as we can explain after the fact what are prospectively unpredictable events. To be sure, causal explanations can and do help us make predictions, but the former are not merely mirror images of the latter. Still, Allison and Zelikow provide a useful contribution in emphasizing that our predictions need not be determinate, but can in effect be 'bets about future events' – bets that reflect not only our best estimates of the likelihood of a specific event occurring, but also the degree of uncertainty that we attach to those estimates.

has raged, for example, among comparativists who study social revolutions about the extent to which revolutions can be predicted given present theories and knowledge.¹⁰⁷ On one side are scholars who believe, for a variety of reasons, that prediction is difficult or impossible. On the other side are those who contend that recent developments in the study of revolution do in fact furnish grounds for prediction but that area scholars who study particular countries have not yet assimilated these theoretical advances. Without wading too deeply into the conflict, I only wish to note that the underlying theme of the debate – that theories should be judged primarily by their predictions – fails to carry much weight once we accept that political outcomes are uncertain. Because of contingency, unexpected strategic choices and the incompleteness of our knowledge of circumstances and motives, we may not be able to predict social revolutions. But once a revolution has occurred, we can study what happened, compare the revolution with other revolutions or with carefully specified counterfactual scenarios, and thereby formulate falsifiable hypotheses about the causes of the revolution. We can, in short, explain without predicting. Conversely, we can predict revolutions without explaining them, basing our confident forecasts on such trivial precursors to revolutions as the arrival of armed militants at the palace gates.

To be sure, causal explanations of political phenomena can and do assist us in forecasting the future. Drawing lessons from history would have little motive if lessons drawn from the past had no relevance to the future. To stress that explanation and prediction are asymmetric is not, therefore, to claim that they are unrelated; it is merely to emphasize that our ability to predict the outcome of complex political interactions does not furnish the only – nor, in some cases, even the most important – test of the truth or falsehood of causal explanations. From a more pragmatic standpoint, the recognition that historical lessons are not always accurate guides to the future may encourage more intensive thinking by scholars as well as policy-makers about the sources of uncertainty and discontinuity in politics – uncertainty and discontinuity that might be better explained in our models and better incorporated into our forecasts.

Thirdly, and perhaps most importantly, viewing outcomes as uncertain warns against a particularly common and debilitating feature of political analysis that is best called *retrospective certainty*. Just as the anthropic principle in physics suggests that the universe had to take on certain physical and cosmological quantities so that we would be here to ponder its existence, so we tend to assume that past events and processes had to turn out the way that they did so that we would be in a position to explain them. Students of political history understandably seek to explain and describe what actually happened, but in the process they tend to reify the past and overlook the alternative historical paths that might have been possible had choices or conditions been different. It may be true, of course, that things *did* have to turn out as they did; that, after all, is what a deterministic view of the world implies. But even if they did, that

¹⁰⁷ Nikki R. Keddie, ed., *Debating Revolutions* (New York: New York University Press, 1995).

does not mean that different events or strategic choices could not have produced a different outcome if they had occurred.

Retrospective certainty is particularly prominent in the social sciences, because so much of the social scientific endeavour consists of trying to separate the regularities of social life from the singular, idiosyncratic and ephemeral. The search for equilibrium and stability has been a characteristic feature of American political science, and it has been particularly prominent within pluralism, systems theory and, more recently, rational choice theory – all extremely influential schools of thought within the discipline during their respective heydays.¹⁰⁸ Political scientists have tended to focus on regular and recurrent political interactions that take place within more or less stable institutional settings. This has often left them baffled and surprised by moments of large-scale systemic change, such as political transitions, regime breakdowns, and revolutions.¹⁰⁹ It has also meant that many theorists are unwilling to concede that small historical events or actions could cause departures from a given stable equilibrium.

Retrospective certainty has, of course, also been a prominent feature of the prolific commentary on the health care reform debate. The burial of health care reform in 1994 prompted a barrage of ‘defeat was inevitable’ arguments from the nation’s political scientists, many of whom implied, without much subtlety, that anyone who really understood politics would have known that the Clinton plan and its alternatives were doomed from the start.¹¹⁰ These arguments go

¹⁰⁸ Often, indeed, the search for equilibrium and the emphasis on determinate predictions are joined, as in William Riker’s claim that ‘equilibria are valid, indeed essential in theory in social science because they are identified consequences of decisions that are necessary and sufficient to bring them about’ (‘Political Science and Rational Choice’, in James Alt and Kenneth Shepsle, eds, *Perspectives on Positive Political Economy* (Cambridge: Cambridge University Press, 1990), pp. 163–81, at p. 175).

¹⁰⁹ The end of the Cold War provides the best recent example. Although students of foreign affairs disagree as to whether dominant theories of international relations *should* have been able to predict this singularly important event, virtually all concede that scholars failed to anticipate it. The widespread acceptance of equilibrium-based analyses that characterized the relationship between the United States and the Soviet Union as one of stable bipolarity is generally cited as one reason for this predictive failure. Relatedly, most theories of international relations gave little scope to the role that key decision makers such as Gorbachev could potentially play in shaping state responses to the international system. For a more extended analysis of this topic, see the contrasting discussions in John Lewis Gaddis, ‘International Relations Theory and the End of the Cold War’, *International Security*, 17:3 (Winter 1992/93), 5–58; and William C. Wohlforth, ‘Realism and the End of the Cold War’, *International Security*, 19:3 (Winter 1994/95), 91–129.

¹¹⁰ By contrast, journalists and political pundits have been much less willing to argue that defeat was inevitable. For them the dominant question has not been ‘How could anyone believe that reform was possible?’ but rather ‘How could anyone have squandered the opportunities for reform that existed?’ Ultimately, however, the endless criticism of specific strategies and individuals that is the staple of this vein of analysis misses – or at least downplays – the very real political and institutional constraints that the Clinton administration and its allies faced. If most political scientists who examine the 1993–94 interlude are too quick to dismiss the role of strategy or neglect the uncertainties that characterized the debate, most analysts outside the academy are too quick to blame failure on flawed individuals or faulty strategies rather than the clearly formidable underlying constraints on policy change.

beyond the reasonable claim that health care reform was unlikely to pass to the much more suspect claim that it was destined to fail. In doing so, they degenerate into mechanistic and static characterizations that fail to capture the uncertainties and strategic complexities of the debate.¹¹¹

Given the weaknesses of deterministic arguments of this kind, why do political analysts so often make them? One easy answer is that they make their names that way. The rewards for making bold predictions and provocative arguments are high. The costs for making inaccurate predictions and exaggerated arguments are negligible to non-existent. Yet this is obviously too simple, for the siren call of intemperate claims attracts even those who would seem to gain little from the practice. As Gabriel Almond and Stephen Genco pointed out more than two decades ago, the deterministic character of much political analysis is rooted in its continuing effort ‘to treat political events and phenomena as natural events lending themselves to the same explanatory logic as is found in physics and other hard sciences.’¹¹² Borrowing a metaphor from Karl Popper, Almond and Genco suggested that the fallacy of behaviourist political science is to assume that the political process is like a clock – orderly, mechanistic, predictable – rather than a little closer to a cloud – irregular, fluid and sometimes unpredictable. ‘If we are to understand political reality,’ Almond and Genco concluded, ‘we have to come to grips not only with its determinate aspects, but, most particularly, with its creative, adaptive, and problem-solving aspects.’¹¹³ Of all the lessons that might be learned from the dramatic rise and fall of health care reform in the early 1990s, this may be the most important.

¹¹¹ Favourite among these ‘defeat-was-inevitable’ arguments are two somewhat conflicting contentions: that the fragmented structure of American government always dooms major social reforms and that the distribution of opinion in Congress during 1993–94 was so profoundly conservative that no reform plan could have passed. The first claim – that ‘It’s the institutions, stupid!’ – fails to grapple with the past success of major American policy initiatives that faced similarly inauspicious institutional circumstances. Nor does it acknowledge that a number of the institutional characteristics that are commonly implicated in the demise of reform – for example, the decentralization of Congress and lack of Democratic party cohesion – were actually *less* severe in 1993–94 than they had been in the past. The second argument – that the demise of health care reform was ‘A predictable failure’ because the congressional votes were just not there – provides a simpler, indeed almost tautological, explanation of the failure of reform. But although it correctly highlights the fairly inhospitable legislative environment that reformers faced in 1993–94, it too provides an overly determinate account of reform’s defeat. By portraying the preferences of members of Congress as easily identifiable and fixed, it ignores the complexities of the representative relationship connecting congressional action and public opinion while glossing over the significant and well-documented changes that occurred in the public positions of members of Congress as the health care reform debate unfolded (Sven Steinmo and Jon Watts, ‘It’s the Institutions Stupid! Why Comprehensive National Health Insurance Always Fails in America’, *Journal of Health Politics, Policy and Law*, 20 (1995), 329–72; Henry Brady and Kara Buckley, ‘Health Care Reform in the 103rd Congress: A Predictable Failure’, *Journal of Health Politics, Policy, and Law*, 20 (1995), 447–54). For a further critique of these arguments, see White, ‘The Horses and the Jumps’; and Hacker, *The Road to Nowhere*, pp. 172–7.

¹¹² Gabriel Almond and Stephen Genco, ‘Clouds, Clocks, and the Study of Politics’, *World Politics*, 29 (1977), 489–522, p. 489.

¹¹³ Almond and Genco, ‘Clouds, Clocks, and the Study of Politics’, p. 497.