



# America's Hidden Duopoly (Ep. 356)

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In the most recent two-year election cycle, the political industry generated roughly \$16 billion in revenue. Meanwhile, customer satisfaction — that is, from voters — is at a historic low. (Photo: **Bill Pugliano**/Getty)

We all know our political system is “broken” — but what if that’s not true? Some say the Republicans and Democrats constitute a wildly successful industry that has colluded to kill off competition, stifle reform, and drive the country apart. So what are you going to do about it?

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We'd like to tell you about a new spinoff project from our friend **Jad Abumrad**, who hosts **RadioLab**. If you've heard *Radiolab*, you know Jad has an interest in powerful stories and sonic adventures. So you might want to check out his new podcast; it's called **UnErased**. It's about conversion therapy, a treatment that's billed as a way of turning gay people straight. You may know it as the "pray away the gay" treatment. It's been tried on more than 700,000 people. Jad speaks with historians, psychologists and theologians about the roots of the practice, what it entails, and why it continues to attract proponents even though the research literature suggests it is not efficacious. Whether it's desirable, of course, is a separate matter. The first episode features **Garrard Conley**, who was sent for conversion therapy when he was 19; he wrote a memoir about that experience, called **Boy Erased**. So please check out the new *UnErased* podcast, from Jad Abumrad, wherever you get your podcasts.

A quick note about our previous episode, No. 355, which was called "**Where Does Creativity Come From?**" In a section about the Chinese artist and activist **Ai Weiwei**, we noted that Weiwei had been kidnapped and jailed in 2011 by the Chinese government. We also noted that he'd been "charged with subversion of state power." But in fact, he wasn't officially charged, with any crime. Which meant his imprisonment was even more punishing, as he was detained without access to lawyers or family. We regret the error. Since it was pointed out to us shortly after we released the episode, we were able to correct the error and republish the episode immediately, so there's a good chance you never saw or heard the error. But if you did, we wanted to let you know.

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Imagine a gigantic industry that's being dominated by just one or two companies. Actually, you don't have to imagine. Google has more than **90 percent** of the global search-engine market. So, not quite a monopoly, but pretty close. Such cases are rare; but not so rare is the duopoly: when two firms dominate an industry. Like **Intel and AMD** in computer processors. **Boeing and Airbus** in jet airliners. **The Sharks and the Jets**, in the fictional-gangs-from-the-50's industry. But surely the most famous duopoly is this one:



**OLD COKE COMMERCIAL:** *"There's nothing like a Coca-Cola, nothing like a Coke"*

**OLD PEPSI COMMERCIAL:** *People who think young say, "Pepsi please."*

The rivalry between Coca-Cola and Pepsi-Cola goes back to the 19th century. Coke was long dominant, but in the 1970s and 80s, Pepsi gained ground and marketed hard to younger consumers:



**Michael JACKSON** (to tune of "**Billie Jean**"): *You're the Pepsi generation. Guzzle down and taste the thrill of the day. And feel the Pepsi way.*

Coke's internal research found that most people — even Coke employees — **preferred Pepsi**. In 1985, they abandoned their classic recipe in favor of “New Coke,” which tasted more like Pepsi. This didn't work out so well.

**OLD COKE COMMERCIAL:** *I'm Don Keough, president of the Coca-Cola company. When we brought you the new taste of Coke, we knew that millions would prefer it. And millions do. What we didn't know was how many thousands of you would phone and write asking us to bring back the classic taste of original Coca-Cola.*

Coke eventually got rid of New Coke altogether. And despite the flip-flop — or maybe because of it, and the attendant free media? In any case, Coke regained the top spot. Today, even as soda consumption falls, the **rivalry rages on**, with both companies adding juices, teas, and waters to their portfolios. You can afford to make those big acquisitions when you've got a ton of cash on hand, when you're one of just two companies sharing a huge market. And there's another advantage to being half of a duopoly: self-perpetuation. This was covered pretty extensively in the media during the so-called “cola wars.”

**DOCUMENTARY:** *The “war” is good for both of them.*

**DOCUMENTARY:** *I believe that Coke and Pepsi together in this Cola War they've been in for decades now, actually help each other sell an awful lot of product.*

There are plenty of reasons why duopolies exist, and they're not necessarily all sinister. In capitalism, scale is really important: there are all sorts of advantages to being big, which leads big companies to get even bigger, gobbling up smaller companies and essentially dictating the rules of their market. Not everyone likes this trend. In many quarters, there's a strong appetite for a smaller scale, for mom-and-pop and indie and artisanal. But let's be honest: that smaller-scale idea is cute, but it's not winning. What's winning is dominance. Entire industries dominated by just a couple of behemoths. We've already given you a few examples from a variety of industries, but there's another duopoly, a mighty one, that you probably don't even think about as an industry. Which duopoly am I talking about? I'll give you some clues. Let's go back over what we just discussed about duopolies. They're big institutions that take advantage of their size to get even bigger:

**PBS:** *I'm talking to consultants on both sides, many of whom have been doing this for a long time, and they've never seen this amount of money.*

As we said, not everyone likes this trend, but the opposition is not winning:

**MAN:** *I'd like to see more competition. Competition makes a better product.*

And this leaves an entire industry run by just two behemoths:

**Chelsea CLINTON:** *Ladies and gentlemen, my mother, my hero, and our next President ...*

**Ivanka TRUMP:** *I could not be more proud tonight to present to you and to all of America, my father and our next president ...*

**CLINTON:** *Hillary Clinton.*

**TRUMP:** *Donald J. Trump.*

Does it surprise you to hear our political system characterized as an industry? It surprised this guy:

**Michael PORTER:** *Absolutely never thought of it in those terms.*

And that's **Michael Porter**, the world-famous business strategist.

**PORTER:** *And at the core of it is what we call the duopoly.*

Comparing our political system to something like Coke and Pepsi — that can't be right, can it? No, Porter says: it's worse than that. Coke and Pepsi don't control their market nearly as fully as the Republicans and Democrats do.

**PORTER:** *So you see even in soft drinks, we have a lot of new competitors. Even though Coke and Pepsi are so big, they don't truly dominate.*

Indeed, Coke and Pepsi only control about **70 percent** of the soft-drink market. At least they've got the Dr. Pepper-Snapple alliance to worry about. Whereas, Republicans and Democrats? You can take all the Libertarians and independents, the Green Party, Working Families Party, the American Delta Party and the United States Pirate Party — which is a real thing — you add them all together, and they're not even close to Dr. Pepper. For decades, we've been hearing from both sides of the aisle that Washington is "broken."

**Barack OBAMA:** *Washington is broken*

**Donald TRUMP:** *Our country is in serious, serious problem.*

**John MCCAIN:** *This system is broken.*

**Elizabeth WARREN:** *It's not working. Washington is not working.*

**Joe BIDEN:** *Washington right now is broken.*

**Rob WITTMAN:** *Mr. Speaker, Washington is broken!*

But what if the Washington-is-broken idea is just a line?

**OLD COKE COMMERCIAL:** *I'd like to teach the world to sing ...*

Maybe even a slogan that the industry approves?

**OLD COKE COMMERCIAL:** *... in perfect harmony ...*

Yeah, what if they're just selling and we're buying? What if it's not broken at all?

**Katherine GEHL:** *The core idea here is that Washington isn't broken. In fact, it turns out that Washington is doing exactly what it's designed to do.*

And — oh yeah, it's election season in America: don't forget to vote!

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Once upon a time, there was a dairy-products company in Wisconsin called Gehl Foods.

*GEHL: My name is **Katherine Gehl**.*

Katherine Gehl was the C.E.O. of the company. It had been founded well over a century earlier by her great-grandfather. For years, Gehl Foods sold the standard dairy items: butter, milk, ice cream. In the 1960s, they got into pudding and cheese sauces. And more recently, Gehl Foods kept keeping up with the times.

*GEHL: High-tech food manufacturing.*

Meaning: low-acid aseptic processing and packaging, **using robots**. Which creates shelf-stable foods without the use of preservatives. The process is also **useful for products** like weight-loss shakes and iced-coffee drinks. Under Katherine Gehl, Gehl Foods had more than **300 employees** and was doing nearly **\$250 million** a year in sales. But: there were a lot of challenges. Why? Because the food industry is incredibly competitive. There are new competitors all the time; also, new technologies and new consumer preferences. So, to plot a path forward, Gehl turned to one of the most acclaimed consultants in the world.

*PORTER: I'm Michael Porter, I'm a professor at Harvard Business School and I work most of the time on strategy and competitiveness.*

Porter's in his early 70's. As an undergrad, he studied aerospace and mechanical engineering, then he got an M.B.A. and a Ph.D. in business economics. So he understands both systems and how things are made within those systems. He's written landmark books called **Competitive Strategy** and **On Competition**; he's cited more than any other scholar in the field. He's best-known for creating a popular framework for analyzing the competitiveness of different industries.

*PORTER: The framework that I introduced many years ago sort of says that there's these five forces.*

These five forces help determine just how competitive a given industry is. The five forces are: the threat of new entrants; the threat of substitute products or services; the bargaining power of suppliers; the bargaining power of buyers; and rivalry among existing competitors. We're not there yet but if you want to jump ahead and consider how these forces apply to our political system, I'm going to say them again: the threat of new entrants; the threat of substitute products or services; the

bargaining power of suppliers; the bargaining power of buyers; and rivalry among existing competitors. You can see why someone like Katherine Gehl, the C.E.O. of a century-old food company, might want to bring in someone like Michael Porter to figure out what to do next.

*GEHL: It was a classic business-strategy exercise.*

Now, Gehl, in addition to her family business, had another abiding interest: politics.

*GEHL: Yes, I've certainly moved around in the partisan classification.*

During high school, she was a Republican. Over time, she drifted left.

*GEHL: My daughter actually, when she was six, came to me and said, "Mommy, I think I'm a Depublican or maybe a Remocrat." And I think that gives a good sense of where things are at in our household.*

In 2007, Gehl joined the national finance committee of **Barack Obama**'s presidential campaign. She became one of his top fundraisers. A couple years after Obama was elected, Gehl joined the board of a government organization called the **Overseas Private Investment Corporation**, which helps U.S. firms do business in emerging markets.

*GEHL: And I was paying a lot of attention to what was happening in Washington D.C.*

And Gehl did not like what she saw in Washington, D.C. She didn't like it one bit.

*GEHL: It became really clear to me that this fight was not about solving problems for the American people — this fight was about one party beating the other party, and that the parties were more committed to that than to actually solving problems or creating opportunities. Eventually, I understood that it didn't matter who we elected. It didn't matter the quality of the candidates. Once it became clear to me that it was a systems problem, I switched from investing my time in searching for the next great candidate and turned an eye to the fundamental root cause structures in the political system that pretty much guarantee that as voters we are perpetually dissatisfied.*

So she started raising money for non-partisan organizations working toward political reform.

*GEHL: And one of the things that became clear is that there was no thesis for investment in political reform and innovation.*

In other words, people didn't want to give money to non-partisan organizations working toward political reform. They only wanted to give money to political parties and their candidates. In fact, Katherine Gehl found that potential donors had a hard time believing that such a thing as non-partisan political reform even existed. That's how conditioned they were to seeing the political system through a two-party lens. It was around this time that Katherine Gehl began meeting with Michael Porter. She'd brought him in to Gehl Food to help figure out the company's strategy going forward, keeping in mind his five famous forces about industry competitiveness: new rivals, existing rivalries, substitute products, supplier power, and customer power.

*GEHL: And while we were on that strategy, I would consistently make the case to Michael that, "Wow, how we're analyzing this industry of low-asset, aseptic food production — which is the business I was in — all of these tools are directly applicable to analyzing the business of politics."*

*PORTER: And frankly I knew almost nothing about politics. But the more I heard and the more we talked, the more it became clear that we really needed to take a fresh look here.*

*GEHL: It was out of that crucible of analyzing a traditional business strategy, and at the same time, devoting so much time to political reform and innovation, that it became clear that politics was an industry, the industry was thriving, and that all of the tools of conventional business analysis were applicable here.*

*PORTER: And that's where looking at this as an industry starts to provide some power.*

*DUBNER: So you came to the conclusion that politics is an industry, much like many of the other industries that you've been studying over your career. You really never thought of it in those terms before?*

*PORTER: Absolutely never thought of it in those terms. We always thought of politics as a public institution. That the rules were somehow codified in the rule of law and in our Constitution. But what we came to see is that politics is really about competition between largely private actors. And these actors are — at the core of it is what we call the duopoly.*



*GEHL: The duopoly: Republicans and Democrats.*

*PORTER: And that competition has been sort of structured around a set of practices and rules, and in some cases, policies, that have been created over time, largely by the actors themselves. Actually the founders left a lot of room in terms of how the actual plumbing would work. But it was interesting — multiple of our founders actually expressed a deep fear that parties would take over.*

*GEHL: In fact, **John Adams** said at one point, “There is nothing which I dread so much as a division of the Republic into two great parties, each arranged under its leader and concerting measures in opposition to each other.” And if you take a look at **George Washington**’s farewell address, which he wrote in 1796, he talks about dangers, which could come in front of the Republic in the future. And he specifically focuses on two. One is foreign influence, and the other is partisanship. The other danger is the formation of strong parties.*

Having come to the conclusion that the political system operated more like a traditional industry than a public institution, Katherine Gehl and Michael Porter set down their ideas in a Harvard Business School report. It’s called “**Why Competition in the Politics Industry Is Failing America.**” When you read the paper, right there under “Key Findings,” is this sentence, in bright red print: “The political system isn’t broken. It’s doing what it is designed to do.” In other words, it was no coincidence that politics had become self-sustaining, self-dealing, and self-centered. They were the blue team and the red team — kind of like Pepsi and Coke.

*GEHL: Essentially they divided up an entire industry into two sides.*

*PORTER: And we ended up seeing that it wasn’t just the parties competing. It’s that they had created influence, and in a sense captured the other actors in the industry.*

*GEHL: So you have media and political consultants, and lobbyists, and candidates, and policies, all divided onto one of two sides.*

*PORTER: What you see is, the system has been optimized over time.*

*GEHL: For the benefit of private gain-seeking organizations, our two political parties and their industry allies: what we together call the political-industrial complex.*

*PORTER: And this industry has made it very, very hard to play at all if you’re not playing their game.*

*DUBNER: How does the political industry compare in size and scope — dollars, employees, direct and indirect, penetration and influence, let's say, to other industries that you've studied? Pharmaceutical industry, auto industry, and so on.*

*PORTER: Well, it's a great question and we have done enormous amounts of work on it. It turns out to be very difficult to get what I would call a completely definitive and comprehensive answer. We estimate that in the most recent two-year election cycle, the industry's total revenue was approximately \$16 billion. This is not the biggest industry in the economy, but it's substantial.*

It'd be one thing if this large industry were delivering value to its customers — which is supposed to be us, the citizenry. But Gehl and Porter argue the political industry is much better at generating revenue for itself and creating jobs for itself while treating its customers with something close to disdain. Kind of like the cable TV industry on steroids. And the numbers back up their argument. Customer satisfaction with the political industry is at **historic lows**. Fewer than a quarter of Americans currently say they trust the federal government. In terms of popularity, it ranks below every private industry. That includes the healthcare and pharmaceutical industries, the airline industry — and, yes, cable TV.

*GEHL: Generally, in industries where customers are not happy and yet the players in the industry are doing well, you'll see a new entrant. You'll see a new company come into business to serve those customers.*

A new company like ... Netflix or Hulu or Amazon Prime or Sling TV or — well, you get the point.

*PORTER: So in today's world, we have the majority of voters say in polls that they would rather have an independent. So in a normal industry, you'd have a whole new competitor coming up that was about independents to serve that unmet need.*

*GEHL: And yet in politics, we don't see any new entrants, other than Democrats and Republicans. So why is that? Well, it turns out that our political parties work well together in one particular area, and that is actually colluding together, over time, behind the scenes, to create rules and practices that essentially erect barriers to entry, ways to keep out new competition.*

In their report, Gehl and Porter identify the “five key inputs to modern political competition: candidates, campaign talent, voter data, idea suppliers, and lobbyists.” Here's what they write:

"Increasingly, most everything required to run a modern campaign and govern is tied to or heavily influenced by one party or the other, including think tanks, voter data, and talent."

*PORTER: So essentially what's happened is, the parties have now sort of divided up the key inputs to political competition. And if you're not a Republican or a Democrat, then you're in trouble in even finding a campaign manager, much less getting the best up-to-date voter data and the best analytics and so forth.*

It's not enough to monopolize the campaign machinery. Gehl and Porter argue that the political industry has essentially co-opted the media, which spreads their messages for free.

***Sean HANNITY:** This helps Donald Trump tonight. This is a big, big beginning to the end of what has been a witch hunt.*

***Chris MATTHEWS:** Trump Watch: The man in the White House is behaving now like a character from on that old detective show Columbo.*

Perhaps most important, the two parties rig the election system against would-be disrupters. The rules they set allow for partisan primaries, gerrymandered congressional districts, and winner-take-all elections.

*GEHL: So each side of the duopoly — Republicans and Democrats — and the players that are playing for those teams, effectively, have over time worked to improve their own side's fortunes. But collectively, they also have come together to improve the ability of the industry as a whole to protect itself from new competition, from third parties that could threaten either of the two sides of the duopoly.*

*PORTER: In this industry — because it's a duopoly that's protected by these huge barriers to entry — essentially what the parties have done is they've been very, very clever. They don't compete head-to-head for the same voters. They're not competing for the middle.*

*GEHL: It's likely that we have a much more powerful center, a much more powerful group of moderates, than our current duopoly demonstrates.*

*PORTER: What they've understood is, competing for the middle is a sort of destructive competition. It's kind of a zero-sum competition. So the parties have divided the voters and kind of, sort of, ignored the ones in the middle. Because*

*they don't have to worry about them, because if the middle voter is unhappy, which most middle voters are today in America, what can they do?*

*GEHL: The only thing either party has to do to thrive, to win the next election, is to convince the public that they are just this much less hated than the one other choice that the voter has when they go to the ballot. Which means that that gives those two companies, essentially — the Democrats and the Republicans — the incentive to prioritize other customers.*

*PORTER: And their target customer, on each side, is the special interests and the partisans. And they get a lot of resources, and a lot of campaign contributions, and massive amounts of lobbying money to try to get their support with whatever those partisan or special-interest needs are.*

*GEHL: There is now an entire industry of politics that moves forward, independent of whether that industry actually solves problems for the American people.*

*PORTER: So what's happened is that the moat or the barriers to getting into this industry and providing a different type of competition have been built to enormous heights, which has allowed the parties to structure the nature of the rivalry among themselves in a way that really maximizes their benefit, to them, as institutions, but doesn't actually serve the public interest.*

Well, that's depressing, isn't it? Insightful, perhaps, but depressing nonetheless. So do Katherine Gehl and Michael Porter have any bright ideas for tackling the problem?

*GEHL: Yes.*

*PORTER: Yes.*

*GEHL: Yes.*

*PORTER: Yes.*

*GEHL: Oh, yeah.*

*PORTER: Oh, my God.*

\* \* \*

The business strategist Michael Porter and the C.E.O.-turned-political reformist Katherine Gehl argue, in a Harvard Business School report, that our political system has been turned into an industry with no real competition. The industry's primary beneficiaries are itself and its many ancillary participants, including the media.

*PORTER: But the vast majority of Americans, who are somewhere in the middle, are feeling very, very disaffected.*

The lack of vigorous competition, they argue, has allowed the Democrats and Republicans to carve out diametrically opposed political bases, fairly narrow and extremely partisan.

*GEHL: So years ago, we created partisan primaries in order to actually take the selection of a candidate out of this "smoke-filled back room" and give the selection of the party candidate choice to citizens. So that was designed to give more control to citizens. It turns out it has had a very deleterious effect on competition, and has increased the power of the parties.*

And the parties, Gehl and Porter argue, use those partisan bases to support the desires of the political industry's true customers, and its wealthiest: special interests. Industries like healthcare, real estate, and financial services; also, labor unions and lobbyists. In this duopolistic business model, polarization is a feature, not a bug.

*PORTER: We have a chart in our report that just selects some, what we call landmark-type legislation over the last 50, 60 years. And if you go back even 20 or 30 years ago, the landmark legislation was consensus.*

For instance: the Social Security Act of 1935 had 90 percent Democratic support and 75 percent Republican. The Civil Rights Act of 1964 had 60 percent Democratic support and, again, 75 percent Republican.

*PORTER: Now, for the last decade or two, that's been the opposite pattern. The only way landmark legislation gets passed is one party has enough votes to pass that by itself.*

The Affordable Care Act, also known as ObamaCare, was passed in 2010 with zero Republican votes in Congress. President Trump's 2018 tax-reform bill? Zero Democratic votes.

*DUBNER: So your diagnosis suggests that this industry serves itself incredibly well. It suggests that it serves us, the citizenry, really poorly. And it also suggests that more competition would improve the industry, as it does in just about every industry. But, just having more competition in parties doesn't seem to be the answer alone. I mean, there are plenty of multi-party political systems around the world that have similar cases of dysfunction and corruption and cronyism like ours. The U.K. comes to mind, Israel comes to mind. So how direct a step — or direct a prescription — would that be?*

*PORTER: Well I think in our system in particular, where we have only two, and they have been able, through the set of choices we've described, to actually set up the rules of competition that reinforce their partisan competition, dividing voters and so forth — more competition, I think, would be incredibly valuable. But it has to be a different kind of competition. It can't be just another party that's going to split our electorate into three partisan groups. In our work, we focus on what would it take to make the competition less about dividing the voters, and how can we make the competition more around building up more choices for voters that were more about solutions? By the way, let me be clear: we're not against parties per se. What we are against is the nature of the competition that our existing dominant parties have created.*

*DUBNER: Let me ask you this: when you suggest that these rules were carefully constructed, I guess if I were thinking about something other than politics, the first thought that would come to mind then is, well, collusion, right? If I can be one member of a duopoly, I actually hate my rival much less than I hate the idea of anybody else who would interrupt that rivalry, because we are splitting the spoils now. Do you have any evidence of collusion between the parties to create a system that essentially keeps the rest out?*

*PORTER: Well first of all, that is the right word. It is collusion. And there's probably a legal definition of collusion, which I don't know. I'm not a lawyer. But the effect is exactly the same: the parties have agreed on a set of rules that benefit the duopoly and preserve this nature of competition. You can really put rules into a number of buckets. There's legislative machinery, as we call it, which is how the Senate and the Congress are run. And then there are the election rules, having to do with what is the primary process like, and what does it take to get on the ballot as an independent. The various campaign finance stuff that surrounds elections.*

*DUBNER: Has anyone ever considered filing — whether in earnest or not — an antitrust suit against Republicans and Democrats?*

*PORTER: You know, Stephen, that's a great question. I have. We've actually had a significant effort to see if that's feasible. Look at what the law is, look at the antitrust statutes. But this is absolutely what antitrust policy is all about. It's creating open, effective competition that serves the customer and the public interest. And this industry cries out for that.*

*DUBNER: So in the report, you discuss the many advantages the two parties have. And I think we all recognize that there's real power in size and there's leverage, especially when you're making your own rules for your own industry. And you write that they use those advantages to retain control and to constrict competition and so on. But it strikes me that Donald Trump really got around a lot of those advantages. So you write that the parties "control the inputs to modern campaigning and governing." But he didn't rely on that, really. You wrote that "the parties co-opt channels for reaching voters." But he kind of co-opted or maybe took advantage of his own channels, including free media and his own social media accounts. You write that the parties "erect high and rising barriers to new competition." But in the case of Trump, his own party tried as hard as they could to erect the highest barrier and couldn't keep him out.*

*On those fronts, it would strike me that the parties failed. They failed to constrict a certain competitor. So I don't know how you personally feel about President Trump, but according to those advantages and his end run around them, it would sound as though he is at least one example of the solution to the problems that you're describing.*

*PORTER: I think that is definitely a good question and we must take that on. I would say a couple of things. First of all, the best choice that President Trump made was to run in a party.*

*GEHL: He had to pick one side of the duopoly, because he knew he couldn't win as an independent. And he had actually explored running as an independent in previous years, but that in the current system is not seen to be a winning strategy.*

*PORTER: The other thing I would say about him was that he had resources. In the end, he didn't have to use that many of them. But in a sense, he could almost have self-financed, and he was appealing to a certain subset of the partisans. Maybe even a somewhat neglected subset of the people on the right. And he had a very strong existing brand identity. So he was able to get a lot of recognition and coverage without having to spend that much on advertising.*

*GEHL: He represents a personality-driven campaign within a party, but we don't believe that he represents fundamentally transforming the structure of competition in the industry.*



*PORTER: But the real thing that I think everybody has to understand is that in modern politics, the parties are more powerful than the president. And Donald Trump has gotten very little done. He's achieved no compromise. And his signature success got zero Democratic votes. And the game hasn't changed. So far, Trump is just the third in a row President that may have said that he was going to do things differently and cut across lines and all that kind of stuff. But, frankly, he didn't. Obama didn't, and **President Bush** didn't. Even though President Obama and President Bush campaigned on bipartisanship and bringing people together, they failed. So I think that those recent case studies are sobering.*

We should note that some political scientists argue that Gehl and Porter's analysis of party power has it backwards. **These scholars say** our political system is in bad shape because the parties have gotten weaker over time. They argue that stronger parties could help beat back special interests and produce more compromise and moderation. You want some interesting evidence for the parties-are-weak argument? Think back to the 2016 presidential election. You had one national party, the Democrats, that tried as hard as it could — to the point of cheating, essentially — to pre-select its candidate, Hillary Clinton, who then lost. And you had the other national party, the Republicans, try as hard as it could to keep a certain candidate off the ballot — but they failed, and he won.

*GEHL: It's true that the parties are not as strong as they were in the past. But both sides of the political-industrial complex, Democrats and Republicans, are as strong as ever. It's just that the power may not all reside within the party.*

*PORTER: And if parties were stronger, that doesn't mean they'd be moderating forces. That's what some people say. I really don't understand that argument. The stronger they are, the less moderating they're going to be, given the nature of the competition that's been created.*

*GEHL: And I think we are really asking for too little when we say, "Let's tinker around the edges and get stronger parties so that we can have a little bit of a cleaner process."*

*PORTER: Instead, what we believe is, we need to create structural reforms that would actually better align the election process and the legislative process with the needs of the average citizen.*

*DUBNER: So you've diagnosed the problem in a really interesting and profound way, by overlaying a template that's more commonly applied to firms, to the political industry. And of course it theoretically leads to a different set of solutions than we've typically been hearing. So then you discuss four major solutions. Let's go through them point by point. Number one, you talk about*



*restructuring the election process itself. Give me some really concrete examples of what that would look like. And I'd also love to hear whether you do see some evidence of these examples happening, because it does seem there has been some election reform in states and regions around the country.*

*PORTER: Yes, well when we think about reform, we have to think about really two questions. Number one, is a reform powerful? Will it actually change the competition? And a lot of what people are proposing now is actually not going to make much difference. So term limits are a great example.*

*GEHL: We aren't fans of term limits, because we think that without changing the root-cause incentives, you'll actually just have different faces playing the same game.*

*PORTER: So number one is, we have to reengineer the election processes, the election machinery.*

*GEHL: And there are three electoral reforms that are important, we call it the election trifecta.*

*PORTER: And the first and probably the single most powerful is to move to non-partisan, single-ballot primaries.*

*GEHL: Currently, if you're going to vote in the primary, you show up and you get a Democratic ballot or a Republican ballot. And then you vote for who's going to represent that party in the general election.*

*PORTER: And the one that's on the farthest left or the one that's on the farthest right has a tendency to win. Because the people that turn out for primaries are a relatively small fraction of even the party. And those are the people that show up, because they're really partisans and they really have special interests and they really care about getting somebody on the ballot that's for them*

*GEHL: In a single-ballot, nonpartisan primary, all the candidates for any office, no matter what party they're in, are on the same ballot. And we propose that the top four vote-getters advance out of that primary to the general election.*

*PORTER: And the reason a single primary where everybody's in it is so important is that if you want to win, you want to appeal to as many voters as you can. Hopefully more people will vote in the primary. And therefore you're going to get people that are not just trying to appeal to their particular extreme.*

The second part of the Gehl-Porter election-reform trifecta: ranked-choice voting.

*GEHL: Here's how ranked-choice voting works. You'll now have four candidates that made it out of the top four primary. Those four candidates will all be listed on the general election ballot, and you come and vote for them in order of preference. So it's easy. "This is my first choice." "This candidate is my second choice." "This is my third choice." "This is my fourth choice." When the votes are tabulated if no candidate has received over 50 percent, then whoever came in last is dropped, and votes for that candidate are then reallocated to those voters' second choice, and the count is run again until one candidate reaches over 50 percent.*

*PORTER: And what that does is it gives a candidate a need to appeal to a broader group of voters.*

*GEHL: And very importantly, it eliminates one of the hugest barriers to competition in the existing system — and that is the spoiler argument. So what happens currently is that if there's, let's say, an attractive third-party candidate, or an independent candidate, both Democrats and Republicans will make the argument that nobody should vote for them because they will simply draw votes away from a Democrat, or draw votes away from a Republican, and therefore spoil the election for one of the duopoly candidates. Once you have ranked-choice voting, everybody can pick whoever they want as their first choice, second choice, third choice. No vote is wasted and no vote spoils the election for another candidate.*

*PORTER: And then the last part of the trifecta is non-partisan redistricting. Gerrymandering has to go.*

*GEHL: Essentially, when parties control drawing the districts, they can draw districts that will be more likely to tilt in favor of their party. And they can end up having a disproportionate number of "safe" Republican seats or "safe" Democratic seats by the way that they draw the districts, and we want to make that go away.*

In addition to election-rule reforms, Porter and Gehl would like to see changes to the rules around governing.

*GEHL: Congress makes its own rules for how it functions, and over time, these rules, customs, and practices have been set in place to give an enormous amount of power to the party that controls the chamber.*

*PORTER: And right now, it's the Republicans that are controlling it. But what's happened — and this is sort of collusion in a way — is, when the other party*

*takes over, they do it the same way, pretty much.*

*GEHL: So we propose moving away from partisan control of the day-to-day legislating in Congress. And also, of course, in state legislatures as well.*

The third leg of their reform agenda is about money in politics. But their analysis led them to a different conclusion than many reformers'.

*GEHL: Where we differ with so many people championing these reforms is that we don't believe that money in politics is the core issue.*

*PORTER: Ultimately, the problem is really this nature of competition that leads to this partisanship. And that's not a money issue per se, that's a structural issue.*

*GEHL: If you take money out of politics without changing the rules of the game, you'll simply make it cheaper for those using the existing system to get the self-interested results that they want without changing the incentives to actually deliver solutions for the American people. Having said that, we do believe that there are benefits to increasing the power of smaller donors. The reforms that we have suggested are primarily focused on increasing the power of smaller donors.*

For instance: having the government itself match donations from small donors. We should note: most of the ideas Gehr and Porter are presenting here are not all that novel if you follow election reform even a little bit. Even we poked into a lot of them, a couple years ago, in an episode called **"Ten Ideas to Make Politics Less Rotten."** I guess it's one measure of how successful, and dominant, the political duopoly is that plenty of seemingly sensible people have plenty of seemingly sensible reform ideas that, for the most part, gain very little traction.

*PORTER: It is definitely challenging. This is a ground game. We're not going to be able to do this in a year or one election cycle because the resources that the current duopoly have to deploy, to play their game, are substantial.*

*DUBNER: Despite the rather depressing — or at least sobering — picture that you paint of the political industry, throughout the report, you express quite a bit of optimism. And I want to know why, or how? Because I don't see the avenue for optimism.*

*PORTER: Well I do think we have a basic optimism. We have no sense that it will be easy to change the rules of this game, for a whole variety of reasons. But the good news is, we've had some progress. We've got some nonpartisan primary states now, including California. We've got ranked-choice voting in Maine. I think what seems to be building in America is a growing appetite and a growing recognition that this isn't working for our country. And I think the younger generation — millennials — is particularly outraged and concerned and open to, all kinds of new ideas. But I think it's going to take time.*

*GEHL: The most exciting strategy in this area that we champion is a strategy put forth by **The Centrist Project** — and full disclosure, I'm on the board of The Centrist Project, it's now actually called Unite America — and this is the Senate Fulcrum Strategy. So here's the idea. Let's elect five centrist, problem-solving-oriented U.S. senators who, at that number, five, would likely deny either party an outright majority in the Senate, which would make those five senators the most powerful single coalition in Washington D.C.; able to serve as a bridge between the two parties, or to align with one party or the other depending on the issue, in order to move forward very difficult policy solutions, where previously there has not been the political will. So we don't need to wait to change the actual rules of the game to deliver politicians to office who can act independently of the existing political-industrial complex.*

So that's an interesting idea, seemingly sensible and maybe even viable. But this whole conversation got me thinking: if our political system really operates like an industry, as Katherine Gehl and Michael Porter argue, maybe it should be treated like one! In most industries, good products and services are rewarded; weakness and incompetence are punished.

Katherine Gehl, coming from the cutthroat food industry, surely knows this first-hand. There's constant pressure to modernize, to optimize, to fight off old rivals and new. Indeed, not long after she brought Michael Porter in to consult on the future of Gehl Foods, she decided to sell the company, to a private-equity firm in Chicago. Why? "I absolutely loved running that company," she wrote to us later, "... but life is short, and I had other things I was also passionate about. ... I wanted the company to be in the best position to succeed, and so I focused on professionalizing the company and developing a long-term strategy that took into account a changing competitive landscape."

And that got me thinking: maybe there's some private-equity firm out there who'd like to modernize a certain political party or two? Any buyers out there? If you're too shy to approach the Democrats or the Republicans directly, drop us a line — [radio@freakonomics.com](mailto:radio@freakonomics.com) — and we'll get things moving.

\* \* \*

*Freakonomics Radio* is produced by Stitcher and Dubner Productions. This episode was produced by **Greg Rosalsky**, with help from **Zack Lapinski**. Our staff also includes **Alison Craiglow**, **Greg**

**Rippin**, **Alvin Melathe**, and **Harry Huggins**; we had help this week from **Nellie Osborne**, and special thanks to a *Freakonomics Radio* listener, **Kyle Watson**, for bringing the Porter-Gehl paper to our attention. Our theme song is “Mr. Fortune,” by the Hitchhikers; all the other music was composed by **Luis Guerra**. You can subscribe to *Freakonomics Radio* on **Apple Podcasts**, **Stitcher**, or **wherever you get your podcasts**.

Here's where you can learn more about the people and ideas in this episode:

## SOURCES

- **Katherine Gehl**, former President and C.E.O. of Gehl Foods.
- **Michael Porter**, professor at Harvard Business School.

## RESOURCES

- “**Why Competition in the Politics Industry is Failing America**,” Katherine Gehl and Michael Porter, *Harvard Business School* (2017).

## EXTRA

- “**Ten Ideas to Make Politics Less Rotten**,” *Freakonomics Radio* (2016).

**TAGS:** coca-cola, duopoly, Freakonomics Radio, Greg Rosalsky, Katherine Gehl, Michael Porter, pepsi, Politics, Stephen Dubner

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**Reiko Dogu** • 2 years ago

As a citizen, voter, and former elections administrator, I have been frustrated by the futile games that are propagated in our system of partisan governing. I have attended Privileges & Elections meetings that remind me of a monopoly game in which all of the players are tired of playing but they stay at the table to make sure no one else gets to build any hotels. I hope this episode helps us put the game away and focus on solutions! We can do it!

6 ^ | ▾ • Reply • Share ▸

**Kevin Ruddell** • 2 years ago

This episode suffers from both-sides-ism. One faction has driven the political discourse in this country somewhat to the right of what it was 50 years ago - e.g. Obama's policies were in many cases to the right of Nixon's, and many Americans today are comfortable with labelling Obama as a 'socialist'. The role of one player in this transformation is laid out in <https://www.theatlantic.com....> NB - Gingrich overlooks the fact that we are as closely related to bonobos as we are to chimpanzees, but bonobos are not aggressive in the manner favored by Gingrich.

3 ^ | ▾ • Reply • Share ▸

**Tom Cronin** • 2 years ago

My fear is that the Supreme Court will eventually take up a partisan gerrymandering case and rule on how to define a "fair" process. All of the proposed models describe how to "balance" districts between Democrats and Republicans. Building these rules into law or court precedent would mean that the two parties will always be in charge of how to divide the spoils. Third parties are currently locked out by custom, but they would then be locked out by rule.

2 ^ | ▾ • Reply • Share ▸

**Rich Stevenson** • 2 years ago

I wrote a declaration of Re-Independence that parallels ideas of entrenchment and collusion presented in this article. "The network of corruption includes lobbyists, party bureaucrats, political campaign profiteers and bipartisan career politicians, who all appear to serve party interests first and public interests last." <http://cs2pr.us/Re-1776.html> . I totally agree with the reforms suggested in the article, however, money is central to reform, getting it out of campaigns. Can't vote, can't contribute, is the answer. 100% of campaign

getting it out of campaigns. Can't vote, can't contribute, is the answer. 100% of campaign money must come from those who can vote in each election, from no other source.

[http://cs2pr.us/Rich/Equal\\_...](http://cs2pr.us/Rich/Equal_...)

1 ^ | v • Reply • Share >



**aghorn** • 2 years ago

I like Freakonomics Radio and have taken to regularly listening to it recently. However, I have to complain that this particular episode presents another instance of false equivalency between Democrats and Republicans.

The level of partisanship that we're at now began with Newt Gingrich and the House Republicans during the 1990s. They then started the government shutdowns. There was the waste of millions of taxpayer dollars investigating the Clintons over Whitewater and the efforts towards Bill Clinton's impeachment. In the 2000s, it was Tom Delay and the beginning of rampant Republican gerrymandering. When Obama was elected, Mitch McConnell declared that his main goal was to make Obama's presidency unsuccessful. He didn't care about the country so much as he did about Obama failing. It was all about obstructionism. The Senate Republicans later refused to even hold hearings for Obama's Supreme Court pick, Merrick Garland!

There is partisanship on both sides which is somewhat to be expected. But the Republicans have stretched partisanship to new levels. Sometimes the Democrats can't help to be partisan to fight back against the continuing Republican partisanship and uncompromising ideology. Obama was a centrist bending over backwards time and again trying to reach out to Republicans. Where did it get him and us? Just a more extreme and coddled Republican party.

The guests on this show miss the point on the existence of partisanship today in our politics.

1 ^ | v • Reply • Share >



**Pete Wason** • 2 years ago

"Government is the Entertainment division of the military-industrial complex."—

Frank Zappa

1 ^ | v • Reply • Share >



**Tom** • 2 years ago

I found this podcast quite thought provoking. I hadn't really thought of politics in this way but like the new lens on this topic.

Unfortunately, this political duopoly has made the United States essentially ungovernable. Although I applaud these and other ideas to improve the political process, I am skeptical whether much can be changed until there is a event / crisis to shake up the system and create the proverbial tipping point.

Perhaps an idea is to orchestrate a split up of the U.S. into three countries centered around California, Texas and New York. The remaining 47 states could align with one of those three and we could move forward from there. It would infringe on federal governance and turn the



and we could move forward from there. It would intrude newfound governance and turn the existing politics on its head.

1 ^ | v • Reply • Share >



**Chad Schultz** • 2 years ago

Fascinating episode! But wouldn't a pairwise voting method be more accurate than the elimination approach? Here's an extreme, hypothetical example to illustrate: the voting populace evenly divides their first votes among candidates A, B and C. Nobody gives their first vote to candidate D. But everyone lists candidate D as their second choice. Then third and fourth choices are evenly distributed among A, B and C. With the proposed system, candidate D would be the first dropped, even though an argument could be made that candidate D would be the winner.

But I will say that I feel having some kind of ranked choice voting is an absolutely critical reform.

1 ^ | v • Reply • Share >



**jg167** → Chad Schultz • 2 years ago

The candidate that is dropped does not have to be the one with the fewest 1st place votes. I could be the one with the fewest total votes, or giving 4 points for 1st, 3 for 2nd, 2 for 3rd, and 1 for 4th it could be the candidate that get the lowest overall interest (e.g. a star system with fixed preferences based on their rank).

^ | v • Reply • Share >



**BTernaryTau** → Chad Schultz • 2 years ago • edited

I agree that a pairwise method would do a better job than the method proposed here. However, I disagree that we should be limiting ourselves to ranked voting methods. Rated voting methods have the advantage of not discarding information about the strengths of voters' preferences. Rated runoff methods in particular combine many of the strengths of ranked methods and rated methods. (If you're interested, here's a page on a rated runoff method called STAR voting:

<https://www.equal.vote/star...> )

^ | v • Reply • Share >



**Chad Schultz** → BTernaryTau • 2 years ago

Information on preference strength would be nice to have, but the problem is that I feel all rated systems motivate voters to give their top choice the highest possible rating, and all other options the lowest possible rating. STAR may be slightly less vulnerable to this than other rating systems, but is still vulnerable. Permit me a contrived example to illustrate:

Candidates A, B, C and D are running for office. I love candidate A, I'm ok with candidate B, I dislike C and hate D. Perhaps a fair representation of my support levels in STAR would be 5, 3, 1, 0.

Now let's say that A and B are practically tied in the voting, before my vote. Since it's STAR, let's say they are tied to be the second of the top two choices. Whichever one falls to choice number three is eliminated from the top two vote. Let's say that B is just three points ahead of candidate A.



If I do not vote, B becomes the second of the top two choices (three points ahead of A) and may win the election.

If I vote fairly, B becomes the second of the top two choices (one point ahead of A, as B was three points ahead before my 5 for A and 3 for B) and may win the election.

If I try to game the system by giving my top choice, A, a 5 and all other

[see more](#)

^ | v • Reply • Share ›



**BTernaryTau** → Chad Schultz • 2 years ago

In my opinion, it doesn't make much sense to worry about dishonest bullet voting as a strategy because in practice, it doesn't occur much (see: <https://www.counted.vote/di...> and <https://www.rangevoting.org...>).

In contrast, pairwise methods have to worry about the DH3 pathology (<https://www.rangevoting.org...>). This situation is reliant on burying, a behavior which has been observed in elections, even under methods like ranked choice voting where it isn't actually an effective strategy!

1 ^ | v • Reply • Share ›



**Jason** • 2 years ago • edited

There are some good suggestions here, but many of their factual claims are flatly wrong. There are also some big problems with their entire analysis I'll get into after pointing some of those out.

Primaries don't tend to nominate the most extreme candidate. They tend to nominate people who can raise money, have name recognition, can garner media attention, and mostly importantly, can win. This is why incumbency is such an advantage even though incumbents often face a challenger from the extreme flank.

Ending gerrymandering won't fix the problem of safe districts; it's like they've never heard of the self-sorting phenomenon and the debate over whether or not gerrymandering is actually the real issue. fivethirtyeight has a pretty good treatment of these issues I'd recommend viewing instead. Ultimately it's pretty inconclusive.

Finally, they claim that the vast majority of Americans are politically moderate. That's quite wrong if you look at Gallup surveys (and it shocks me they haven't). The data says that approximately 2/5 of the country is conservative, 2/5 of us are moderate, and 1/5 of us are liberal. In that way, the majority of us are partisans, that polarization is only increasing.

[see more](#)

2 ^ | v 2 • Reply • Share ›



**lbfi** → Jason • 2 years ago

Primaries tend to go to the candidate who appeals best to primary voters, who tend to be motivated partisans.

Gallup surveys of how people self-identity merely reflects how effective the right-wing campaign to turn the word "liberal" into a pejorative term has been. When surveys leave out label and report attitudes towards specific programs, Americans tend solidly moderate with a slight lean to the left.

3 ^ | v • Reply • Share ›



**Steven Mason** → Jason • 2 years ago

Jason wrote: a citizenry that suffers heavily from Dunning-Kruger. Ouch, Jason! Do psychologists have a term for people like you and me who feel superior to people with illusory superiority?

^ | v • Reply • Share ›



**Steven Mason** → Jason • 2 years ago

Jason makes excellent points, and I agree with his criticisms of this episode. I'll add another observation:

This episode suggests that the large group of moderates, or centrists, are not happy with either party and would prefer centrist candidates. This implies that a majority of Democrat and Republican politicians are not centrists. I might be willing to agree that a majority of Republican politicians can't be described as centrist (using a reasonable definition of that term). However, I'd like to see someone try to make the case that a majority of Democrats are not already centrist.

I'm well aware of the fact that lots of Republicans claim that Democrats are godless, militant, left-wing socialists bent on destroying this nation, but that doesn't make it true. By and large, Democrats are centrists. If Bernie Sanders is a good example of an extreme left Democrat, what is it that makes him seem so extreme? Let's see: Sanders thinks that college should be free or at least affordable. But wouldn't that just take us back to the way it was in the 1960's and 70's? Did affordable higher education help or hurt us back then?

^ | v • Reply • Share ›



**Matt in AZ** • 2 years ago

Bravo, Freakonomics! Just before an election, post yet another "both sides are terrible" piece that prompts further disdain and apathy. The Koch Brothers smile at your assist. Well done!

2 ^ | v 4 • Reply • Share ›



**M Hills** → Matt in AZ • 2 years ago

You missed the point. As a government teacher, this podcast is 100% on the money. It is not creating distain and apathy. It is opening peoples eyes and possibly inspiring change.

7 ^ | v • Reply • Share ›



**BJ** → M Hills • 2 years ago

Also a social studies teacher and I agree that this post is right on! I hope that it's eye-opening to many.

1 ^ | v • Reply • Share ›

**Guest** → Matt in AZ • 2 years ago

The disdain and apathy are already there. 2/3 of America are the "exhausted middle" who are sick of politics. It does the country harm to have a yo yo of laws and policies swing back and forth from left to right every election. More realistic, logical bipartisan solutions are better for everyone. And longer lasting.

1 ^ | v • Reply • Share &gt;

**Steven Mason** → Guest • 2 years ago

Sam, the average American voter can hardly claim to be "exhausted" by politics. That's like saying the average American Christian is exhausted by going to church twice a year on Christmas and Easter.

Or, if you have children but never put in the work to teach them responsibility and discipline, you'll end up being "exhausted" by their bad behavior. If you own a house but never do anything to maintain it, you'll end up being "exhausted" when it starts having problems. If you buy things but never pay the bills, you'll be "exhausted" by bill collectors. You get the idea. Most Americans don't really put any thought into political issues, let alone any critical thought. Most people "identify" with a party and vote partisan, if they bother to vote at all. When Americans say they are exhausted, what they usually mean is that they're tired of hearing the opposing party blame their own party for all the failures.

^ | v • Reply • Share &gt;

**Guest** → Steven Mason • 2 years ago

Actually, no. 2/3 of Americans are sick and tired of all the political bickering on both sides. <https://www.prnewswire.com/...>

^ | v • Reply • Share &gt;

**CuriousPsychosis** → Matt in AZ • 2 months ago

Hiding the truth because it's too difficult deal with is a dangerous precedent.

^ | v • Reply • Share &gt;

**Loren Stanton** • 2 years ago

Differently contextualizing a process is not news. I got my political science degree in 1983 and I knew then almost every word in this conversation. Sigh. This is just another plea to rich people to try to take power in a different way. Five Senators...what a stupid idea...people are going to be corrupted by the system as they are now. How much would one of those Senators cost? That is the way an economist would start thinking. Buying the "Five Senators" would just reduce the cost of playing the game. Just different rules for the Billionaires club to play. More real reform would come if we moved in a different direction...reducing the incentives to play the game. Let's add light to the game by making everyone name every contributor to every foundation, every campaign organization of any kind, and the amount they give. If a corporation gives then name every member of the board or CEO or CFO that voted to give or gave the money and they would have to report every cent to every stockholder and tell them how much it reduced their stock price or

dividend. Real reform will only come when we see into the "smoke filled rooms".

1 ^ | v 1 • Reply • Share >



**Josh Scandlen** • 2 years ago

signs of collusion??? Isn't it obvious?

Bernie is taken out by the DNC cheats. The Trumpster is HATED by EVERYONE, R's and D's.

Thus collusion.

So, if you hate collusion you should be for Bernie or Trumpster. end of story

1 ^ | v 2 • Reply • Share >



**CuriousPsychosis** → Josh Scandlen • 2 months ago

Your logic is poor.

^ | v • Reply • Share >



**Chris** • 2 months ago

The problem of a non-partisan jungle primary, the Top-Two system, is that a minority of voters participate and winnow the field for the majority that show up for the general election. This eliminates virtually all candidates who are alternatives to the duopoly (their base of voters will be both much smaller and much less habituated to voting in primaries) and often eliminates one of the establishment parties altogether as well. Take a look at California's statewide contests since they adopted Top-Two and see how many are Democrat versus Democrat. Where I live in Oklahoma it'd be Republican versus Republican. And sometimes you get perverse results, like the 2016 Washington state Treasurer's race where 52% of primary voters chose a Democrat but the three Democrats split so evenly that the two Republicans advanced and none of the Democrats did. Studies also show that California is not any less partisan but it does have fewer voters turning out. And why would they bother for meaningless same-party contests? Top-Two would work just fine for the duopoly and in fact push a lot of states towards being one-party monopolies.

^ | v • Reply • Share >



**embo66** • 2 months ago • edited

There is a serious flaw at the heart of this report: the assumption that "the center" is "moderate" and represents some mythical halfway point between the policies of the GOP and the Democratic Party.

Our politics are broken because we have what is effectively a minority — conservative Republicans — dominating not just the halls of power but also the Electoral College and numerous state legislatures. Look at the polling over any major issue of the last 20-30 years: You will see that upwards of 55-60% (and often far higher percentages) support the basic Democratic position. The vast majority of Americans want higher taxes on the wealthy; Citizens United overturned and dark money driven out of politics altogether; affordable, accessible healthcare for all; sensible limits on guns and gun ownership; a clean

environment that also protects our wilderness; the ability for not just DACA but all other immigrants to become citizens within a reasonable timeframe; a livable wage; equal rights for women; on and on. And these majorities often contain a majority or at least a plurality of Republicans as well.

What's preventing any of this from becoming a reality isn't so much our two-party system as it is the over-dominance of one minority — conservative Republicans — in the halls of

[see more](#)

^ | v • Reply • Share ›



**elkhornsun** • a year ago

Symptomatic of the corruption of the two parties is how when progressive Marie Newman announced her intention to challenge the right wing incumbent congressman and Democrat Dan Lipinski, the DCCC issued new standards that stop vendors of political services from working with primary candidates who challenge incumbents.

This is clearly illegal restraint of trade and the type of business practices of Rockefeller and Bill Gates that led to the breakup of the former's company and but for the US Supreme Court with its right wing faction led by justices Scalia and O'Connor, deciding to give the presidency to G.W. Bush in 2000, would have resulted in the breakup of Microsoft as well.

Gore Vidal put it succinctly when he said "It makes no difference who you vote for - the two parties are really one party representing four percent of the people."

^ | v • Reply • Share ›



**Gebenhurtz** • a year ago

I got your 'hidden duopoly' here.

<https://forward.com/fast-fo...>

^ | v • Reply • Share ›



**Brent Wall** • 2 years ago

I know I am joining this late, but I just listened to the episode and couldn't help but hear the Australian electoral system being held up as the solution for Broken Washington.

Be careful what you wish for as we have always had rank voting and it doesn't really fix anything. The major parties exploit it as much as any other method.

And the Centrist project exactly describes the Senate we have achieved organically. A minority of 6 to 8 independently elected senators hold the balance of power between our 2 major parties. However, don't pretend that they will act as responsible, middle of the road arbiters. Once they have the balance of power, they are able to extort the government to fund crazy, special interest policies and ideas.

Australia has not had a major party in government control the senate for nearly 40 years.

It has turned the Senate into a laughing stock of self interest.

^ | v • Reply • Share ›



**nobodys\_fault** • 2 years ago

Two thoughts on this thought-provoking episode. One, while it is true that third parties, with rare exceptions, do not win elections, history does show that the Progressive Party did win, in many cases, the battle of ideas. Two, one way to reduce the influence of money and special interests would be to provide free TV time to all qualified candidates for a specified period of time before an election. In theory at least, the public does own the airwaves, and free TV time could arguably be said to be in the public interest.

^ | v • Reply • Share ›



**Gruff** • 2 years ago

I listened to this yesterday and the one thing that struck me was the claim that the UK has a functioning multi party democracy. The UK house of commons (the bit we actually get to elect) has operated as an effective "two party" system but with a third option, "None of the above" or, as they are formally known, the Liberal Democrats. Labour and the Conservatives dominate and as it is a first past the post system in each constituency, quite often it is a case of Labour having such a strong majority that anybody who doesn't agree votes Lib Dem as they are in second place, or the same the Conservatives. So it's not quite a simple as saying it is multi party democracy, although it may appear as such from the outside.

However we also have to remember that the UK is a "country of countries". Politics in Scotland, Wales and Northern Ireland are different to England. Scotland has the SNP and Wales have Plaid Cymru as pro-independence parties and as such this tends to open up the playing field a bit more. Northern Ireland has a completely different set of parties, split amongst Unionist parties (i.e. want to stay in the UK) and Republican parties (i.e. want to join the Irish Republic).

Now, in each of the three "minority" nations there is an additional government of different

[see more](#)

^ | v • Reply • Share ›



**jackie m** • 2 years ago

You should do a show on sortition, that is randomly selected representatives. Any kind of election will end up being bought by the rich and other special interests. Our representatives now are almost all 1%ers. And they don't seem to have any special talent for creating policy or efficient government. They only have a talent for raising money. I'm more concerned with being represented by someone like me than all this quibbling over how to pick our next incompetent billionaire rulers.

^ | v • Reply • Share ›



**Clay Shentrup** • 2 years ago

Ranked Choice Voting will maintain two party domination. You need to score voting or approval voting, the latter having been just adopted by Fargo, North Dakota.



<https://asitoughttobe.com/2...>

^ | v • Reply • Share ›



**sffoghorn** • 2 years ago

I would like to see a lawsuit brought under antitrust and RICO against the Democrats and Republicans for colluding to illegally restrain trade in politics through racketeering.

^ | v • Reply • Share ›



**lbfi** • 2 years ago

"Customer satisfaction with the political industry is at historic lows. Fewer than a quarter of Americans currently say they trust the federal government."

I want to thank you in the journalism industry for conflating politicians with the government to the point that Americans can't tell them apart.

The far right especially wants to thank you because they want less government so they can do whatever they want.

^ | v • Reply • Share ›



**jg167** • 2 years ago

I disagree with your guests about the problems with money in politics, though not that it directly preserves the duopoly, but that it distorts what elected officials spend their time on. If you have to raise so much money to campaign, then you will invariably give lots of time to lobbyists that will donate money and that gives us bad law. This distorts what laws get passed (e.g. why most of the tax code is filled with provisions impacting very small groups and or wealthy groups). It also indirectly supports the duopoly due to the money tasing machine that the 2 parties have built over such a long time.

Something that might help (which I admit to not having fully thought out) is to amend the 1st amendment, to prohibit ANONYMOUS free speech. So that every piece of publicly published media (social media, tv, newspapers, roboo calls, everything) would have to include a way (maybe a QR code or unique ID) to put the contents id into a government website and see who wrote it, who paid for it, AND the "who paid" part would have to flow down through all the shells until it reached any individual representing say 3% or more of ownership. Then at least when "citizens for a free country" was running ads for candidate X you could at least easily see who really was behind it. Which might make the big money donors a bit more hesitant with their donations.

And/Or we could figure out a way to mandate only public funding for all federal campaigns and remove the primary leverage of lobbyists in the first place. Given that the SCOTUS has ruled that spending money IS free speech, this too would require a constitutional amendment (and one far more complicated since how do you mechanically distinguish campaign speech from any other?).

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**David** • 2 years ago

As someone who just worked on a Democrat's campaign in Indiana (he ran a great campaign and got crushed nonetheless), I think it would be interesting to look at areas

where the system is more a monopoly than a duopoly. I expect there is the reality in many areas of the company - either for the GOP or the Democrats.

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**tweetvoyeur** • 2 years ago

Great episode. Maybe Matt in Az will take particular notice to the senate spoiler candidate for the Green Party in AZ. Two party system is not too big to fail, too big to succeed.

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**Guest** • 2 years ago

The No Labels Movement and the Problem Solvers Caucus are good signs in the right direction. All the hyper partisanship is toxic for our country. Only when all of us demand normal, moderate, problem-solvers vs far right or far left, will this country move in a positive direction. The exhausted middle needs to have more power in politics

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**Tony Wilson** • 2 years ago

Can anyone produce analysis that compares votes for and against vs registered voters eligible to vote for the candidates?

^ | v • Reply • Share ›



**Tony Wilson** • 2 years ago

"So that's an interesting idea, seemingly sensible and maybe even viable. But this whole conversation got me thinking: if our political system really operates like an industry, as Katherine Gehl and Michael Porter argue, maybe it should be treated like one! In most industries, good products and services are rewarded; weakness and incompetence are punished."

Really? Is that why many failure are handed huge separation packages on their way out?

^ | v • Reply • Share ›



**Robert Sterbal** • 2 years ago

What I noticed is how the handlers don't care about the constituents as much as the candidate.

What I'm working on are effort only ways to get candidates attention. Eventually I'll build a few Facebook groups but I think Facebook events are a practical way to engage without using cash.

^ | v • Reply • Share ›



**Evan** • 2 years ago

This is very good work, but not really new knowledge. Public choice theory has illuminated the failings of political systems since the 1950s. In particular, the notion of viewing politics as systems failures in a non competitive industry is very well articulated by David Friedman (son of Milton).

I think it'd be very interesting to for a Freakonomics episode with David Friedman as he is



an incredibly articulate and interesting speaker.

^ | v • Reply • Share ›



**BTernaryTau** • 2 years ago

The "election trifecta" seems like an incredibly mediocre set of reforms. The primaries are still run with single-choice voting, which means they continue to suffer from problems like vote splitting and lack of expressiveness. Ranked-choice voting makes one of the smallest improvements possible over single-choice voting, eliminating only some instances of the spoiler effect, for instance. And non-partisan redistricting can still leave a lot of districts naturally uncompetitive.

A stronger set of reforms would include a proportional representation method like MMP for multi-winner elections and a rated runoff method like STAR for single-winner elections. This would completely eliminate uncompetitive districts, the spoiler effect, vote splitting, and more.

^ | v • Reply • Share ›



**LouisJamesNYC** • 2 years ago

America has 50 competing organizations: the states.

^ | v 1 • Reply • Share ›



**Greg M** • 2 years ago • edited

There were some great ideas presented on this program. But I have zero confidence that it will ever come to be in my lifetime.

The Koch brothers alone have donated over a billion dollars just on this midterm. There's no way an independent or Democratic candidate can compete with that kind of influence.

The Supreme Court is so partisan, they will soon be voting 7 to 9 in favor of the Republicans.

^ | v 1 • Reply • Share ›

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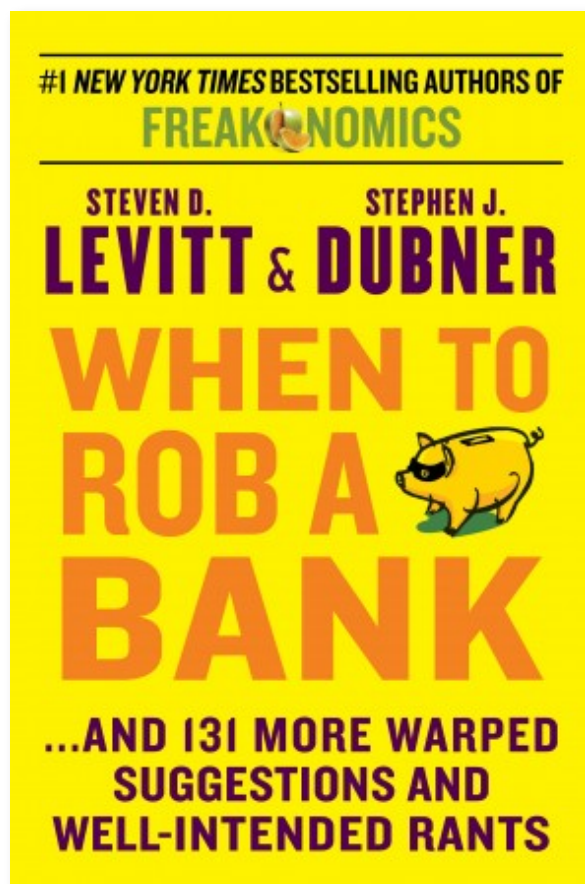
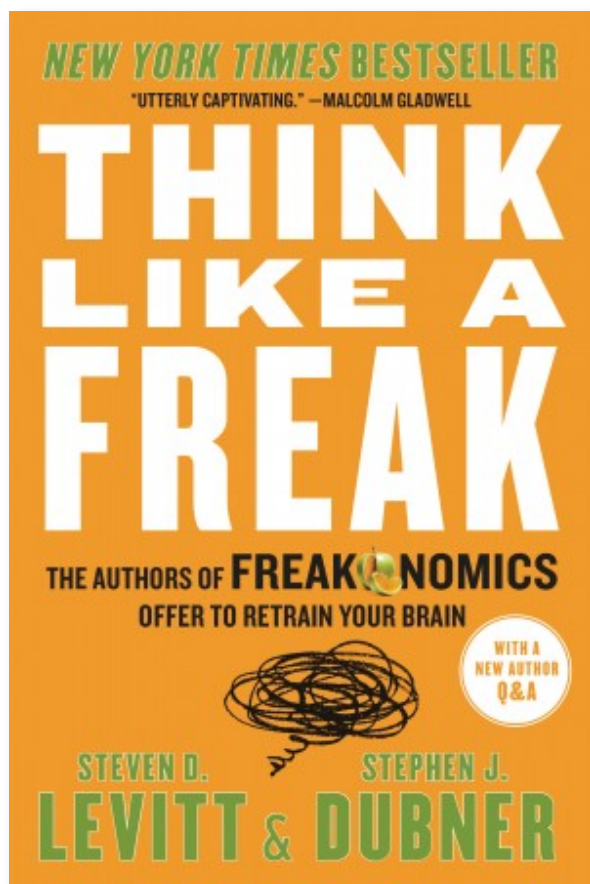
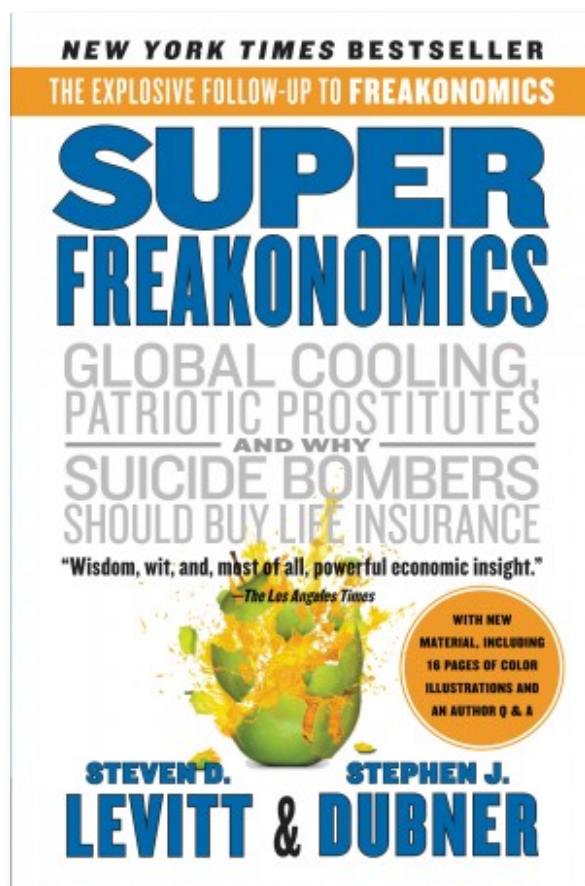
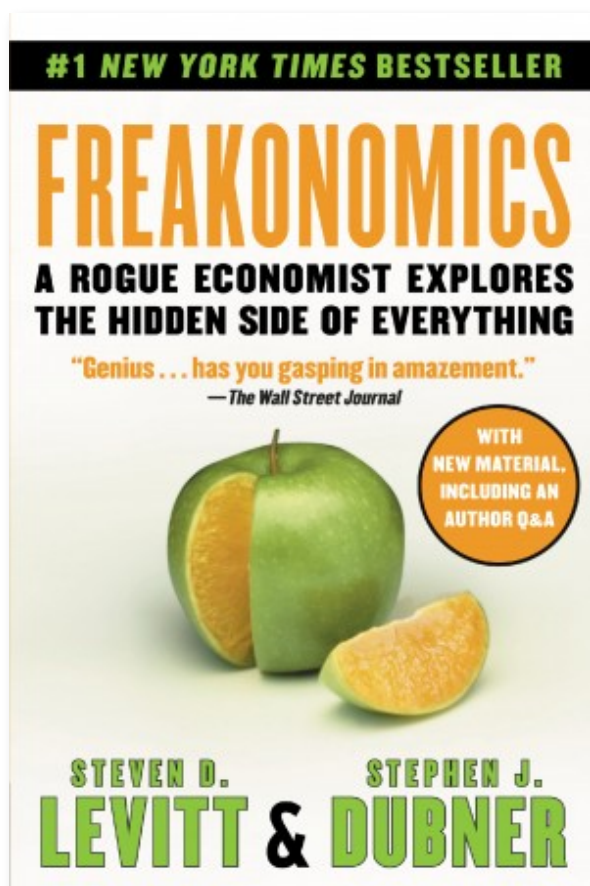
He's been an engineer, a surgeon, a management consultant, and even a boxer. Now he's a

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Peter Attia...

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