What does "high road" mean?

Joel Rogers (1990)

First and foremost, "high road" (**HR**) denotes a family of strategies for human development under competitive market conditions that treat **shared prosperity**, **environmental sustainability**, and **efficient democracy** as necessary complements, not tragic tradeoffs.[1] **HR** strategies are both egalitarian and productivist. They emphasize the role that capable and resilient democratic organization plays not just in ensuring representation and fairness but in generating wealth. Such organization, and only it, can at once set the rules that enable market competition, provide needed public goods and corrections to market failures, and ensure breadth in the social learning and innovation that are the ultimate source of wealth. In the repeated three-step of high-road development — "reduce waste, add value, capture and share the benefits of doing both" — it is essential to the social cooperation and power needed to take each step.

HR can also describe the activities of private firms, or governments and NGOs. As applied to firms, a **HR** firm is one that competes chiefly on product quality or distinctiveness, for which customers are willing to pay a premium. It does so by increasing the productivity (defined as value per unit of input) of its managed human, physical, and natural capital; it also typically shares more of its surplus with non-owner stakeholders in the economy (e.g., labor, government) that are essential to that productivity. The contrasting low-road firm competes chiefly on price. It seeks to lower its costs by sweating its labor and suppliers and externalizing the social or environmental costs of its production (e.g., by polluting and avoiding taxes). As applied to governments or NGOs, **HR** means promoting policies (e.g., in regulation, revenue generation, and public investment) and shared institutions (e.g., in education/training, research, marketing, modernization) — together called **"productive infrastructure"** — that make it harder for low-road firms, and easier for high-road firms, to compete and flourish.

Such **productive infrastructure** is place-specific. Its presence improves the terms of social bargaining between mobile capital and the economy's non-owner, largely immobile, stakeholders. At first attracted to **HR** places for their customer base and the higher return their productive infrastructure provides, firms come to rely on that infrastructure's presence in their strategy. They are less inclined to make, or less credible in making, the sort of exit threats that commonly poison private capital's relations with labor, community, and government. In this way, **HR productive infrastructure** alleviates some of the worst effects of globalization.

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[1] To define the bolded terms: "shared prosperity" means improvements in median income, education, health, and wealth, and equal opportunity to participate in and benefit from the activity that produces these improvements; "environmental sustainability" means efficient use, maintenance, and restoration of the environmental services needed to support human life; "efficient democracy" means social governance that satisfies Gettysburg normative standards (i.e., is "of … by … and for the people") in a way that is both allocatively and dynamically efficient (i.e., respectively, that both assigns resources precisely to public ends and improves its own performance by continuous experiment and adaptive learning, making it resilient before external shocks).