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Judith Stein. *Running Steel, Running America: Race, Economic Policy and the Decline of Liberalism.* Chapel Hill: University of North Carolina Press, 1998. xvi + 410 pp. $59.95, cloth, ISBN 978-0-8078-2414-6.

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In Franklin Roosevelt's original conception, what became the Social Security Act of 1935 was supposed to be a part of a comprehensive, "cradle-to-grave" network of social provision policies encompassing not only social insurance and public assistance but also jobs, including the promise of government employment as a last resort. The jobs piece of the package, of course, was shorn off and died almost unnoticed in Congress while the Social Security Act was hailed, then as now, as one of the most significant reforms of the state's role in the political economy undertaken in American history. Roosevelt revived his comprehensive conception of social policy in his "Economic Bill of Rights," offered in his penultimate state of the union message in 1944, but he did not live to see it through. After his death, the articulation and expansion of the welfare state that he created proceeded on one track, while the jobs question proceeded on another, increasingly subsumed under the rubric of aggregate economic management. The breakdown and fragmentation of the New Deal liberal project had far-reaching consequences for nearly all aspects of American life--not least for the American political economy and its intersection with the most powerful challenge to American liberalism: race. While the New Deal provided unprecedented benefits to African-Americans, who became its most ardent supporters, it also ultimately failed to incorporate them fully into the American political economy, and any interpretation of twentieth-century American liberalism must grapple with this failure.

In this excellent book, Judith Stein attempts nothing less than to chart the failure of Roosevelt's vision of comprehensive liberalism and the consequences of that failure for workers in general and African-Americans in particular. She very nearly succeeds. Her lens is the American steel industry, in itself a centrally important component of the American political economy and, as she shows, a site where many of the central dilemmas and conflicts of postwar American liberalism played themselves out. Her argument is that because economic and social policymaking were increasingly separate spheres in the decades after World War II, the two often worked at cross purposes. In particular, American economic policymakers were too concerned with Cold War com-

mitments and the soft Keynesianism of the postwar decades to address serious problems of industrial decline, job loss, and racial equity. Consequently, the civil rights and welfare policies of the 1960s, offered as the solution to persistent racial inequality and hailed as the great triumphs of American liberalism, could not address the fundamental economic problems that weakened American industry and undermined American workers, white as well as black. Stein's case is compelling, and she elegantly weaves together many historiographical threads that are often considered in isolation into a narrative that is at once complex and multilayered, yet clear and devastatingly direct. Most important, she shows that the failure of New Deal liberalism was an ongoing one, that the fate of vigorous progressivism was by no means sealed by the late 1940s; she ably conveys the fluidity and contingency of postwar politics and the openness of possibilities throughout the half-century she covers.

The book's central narrative itself has two main threads. The first, covering the first seven chapters, recounts the development of antidiscrimination policies in the steel industry, beginning with an account of the industry's growing presence in Birmingham, Alabama, continuing through the passage and implementation of the Civil Rights Act of 1964 (Title VII of which outlawed employment discrimination) and into the 1980s. The essential story is a tragic one of misplaced effort, thwarted expectations, and unintended consequences. Stein shows how enforcement of fair employment law came to focus on litigation over such relatively narrow, arcane matters as seniority ladders in steel plants. Such litigation increasingly took on what she describes as the "postindustrial" purpose of "remedying the effects of past discrimination," and Stein demonstrates brilliantly how this strategy served the converging interests of federal bureaucrats, lawyers, and mainstream civil rights organizations, but not those of the steelworkers themselves because it necessarily failed to address the larger problems of the steel industry: automation, foreign competition, and high unemployment. "The regulatory bodies," Stein writes, "could not produce jobs, only distribute them" (p. 145), and as the number of steel jobs to distribute dwindled, conflict among workers became more acute.

Beginning in chapter eight, Stein doubles back to 1945 to retrace the history of high economic policymaking that caused the pool of jobs to dwindle, thus, she argues, undermining the social and racial goals of American liberalism. Here Stein argues that the overriding goals of policymakers from the 1940s to the 1970s were to construct and maintain Cold War alliances abroad and avoid the appearance of sectoral favoritism at home. Through the Marshall Plan and other foreign policy initiatives, the United States helped to build up foreign steel industries and encouraged them to sell steel to the United States with low tariffs. Domestically, the federal government could be counted on to run screaming from anything that smacked of "industrial policy," and so the steel industry was left to its own devices to modernize in order to keep pace with growing competition from Europe, Japan, and elsewhere. Just as many others have argued that the conflicts over civil rights and the War on Poverty broke open incipient splits in the Democratic coalition, so Stein argues that the steel crises of the 1970s split the Democratic coalition along other fault lines, also inherited from the New Deal: first, between the primacy of foreign versus domestic policy, and second, between the emphasis on aggregate demand and the belief in structural intervention in the economy. These splits drove the country into the waiting arms of Ronald Reagan, whose laissez-faire economic policies drove the final nail into the steel industry's coffin, even further shrinking the already dire prospects for the ambitious social goals of postwar liberalism.

The division in Stein's story is rather jarring and detracts somewhat from her overall purpose. For one thing, the first of these narrative threads

is considerably more detailed and textured (and nearly twice as long), and hence more convincing, than the second. Stein seems more at home, and her prose is more vivid and evocative, in the company of the steelworkers and their union leaders, litigators, and civil rights activists who people the first part than among the presidents, policy mandarins, and executives who are more prominent in the second. The sense of fluidity and contingency that infuses the first part--of actors making real and often imperfect choices under difficult and uncertain circumstances--is replaced in the second by a more commonplace and deterministic story of structural and ideological continuity that ultimately carries the day. After all, if economic policy was so stacked against both the steel industry and civil rights, it may, in the end, make little difference what choices were made in the civil rights context.

Second, and more important, by presenting these two stories as separate threads, she misses some opportunities to probe the deep interconnections between racial inequality and American politics that constitute the fundamental conundrum of modern American liberalism. To be fair, one of her central and most compelling points is that the racial-social and economic pieces of the liberal agenda were largely separate from, even antagonistic to, one another, and her sequential narration conveys this point well. But one wonders whether there were really so few points of contact between these policy streams as Stein suggests, and whether the causal arrow might at any time have run the other way, with racial conflict assuming primary importance in limiting the opportunities available to economic policymakers rather than always the other way around. Despite their many strengths, her narrative and analytical choices seem to foreclose the possibility of this interpretation's emerging from her evidence. Still, Stein has many balls in the air and she juggles them with skill and agility.

This dual narrative also blunts somewhat Stein's criticisms of other interpretations of the roles of race and class in the political economy of postwar American liberalism. She offers the book as a counterweight to recent works that offer what she sees as overly simplistic accounts of the demise of the New Deal liberal impulse. Among her targets--less directly here than in a recent broadside published as part of a symposium in *Labor History*[1]--is Thomas Sugrue's ***Origins of the Urban Crisis*** [2], in which Stein sees too much emphasis on "simple" white racism as a cause of the decline of industrial urban America. But Sugrue's argument goes well beyond the claim that racism drove the decline of liberalism in the North. Rather, much like Stein, he argues that American liberalism was already under powerful challenge in the 1940s and 1950s from a variety of sources and circumstances--racism and industrial decline chief among them--that were often mutually reinforcing. While global and national economic forces surely limited the choices of Detroit's workers, union leaders, managers, homeowners, and politicians, so did the ever shifting contours of racial conflict shape the choices available to policymakers in Washington, who struggled to maintain an inherently fragile national coalition of Southern whites, African-Americans, and urban workers, among others. It is precisely Sugrue's refusal to grant privileged causal status to racial over economic factors (or vice versa) that gives his book the suppleness and subtlety to remain true to its sources while it marshals a powerful, focused argument about American liberalism's decline. Stein's stark separation of the racial and economic narratives, by contrast, gives less free play to these mutually constituting forces.

Stein's other principal target is Alan Brinkley's argument, in ***The End of Reform***, that by the early 1940s the reformist progressivism of the early New Deal had been replaced by a watered-down program of Keynesian demand management and individual rights protection.[3] Stein suggests that the reform impulse lived on, particu-

larly in the steel industry, and in this she is surely right. But in many ways her story, especially the economic half, reinforces Brinkley's; it is a story of choices made within the severely narrowed repertoire that remained available to policymakers after 1945. The ingredients for a sustained moment of comprehensive social and economic reform may have remained in American politics after the war, but their combination into an effective coalition was thwarted again and again, with the consequences that Stein ably charts. Reform may not have been at a predestined end in 1945, but it was surely on the ropes.

Stein's tremendous achievement in this book is to show how fluid, contingent, and open-ended the politics of reform in the postwar era truly was, even though would-be reformers more often than not came up empty-handed. She mounts a stiff challenge to historians and social scientists of the postwar era to reinterpret the tightly connected roles of race and class, foreign and domestic policy, business and labor, national and local politics in shaping the political economy of postwar America, and her work should spark both vigorous debate and a wide range of further research. How, for example, were the experiences of other industries and sectors similar to or different from that of steel? How and why did the tragic fragmentation of the American policy universe, and hence of postwar liberalism, occur? How did American liberalism, seemingly so full of promise for African-Americans in the immediate wake of the war, go so seriously awry? My own suspicion is that Stein underestimates how deeply racial antagonism and the racialized political economy were directly implicated in these currents, but in the wake of this powerful and cogent work, those of us who take that view will have to reckon seriously with hers.

NOTES

[1]. "Symposium on Thomas J. Sugrue: *The Origins of the Urban Crisis*," *Labor History* 39 (1998): 43-69. Stein's contribution is on pp. 52-57.

[2]. Thomas J. Sugrue, *The Origins of the Urban Crisis: Race and Inequality in Postwar Detroit* (Princeton: Princeton University Press, 1996).

[3]. Alan Brinkley, *The End of Reform: New Deal Liberalism in Recession and War* (New York: Alfred A. Knopf, 1995).

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