

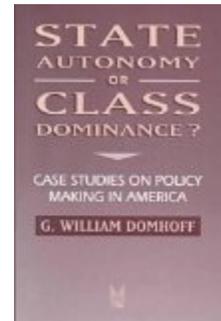
H-Net Reviews

in the Humanities & Social Sciences



G. William Domhoff. *State Autonomy or Class Dominance? Case Studies on Policy Making in America*. New York: Aldine de Gruyter, 1996. x + 296 pp. \$26.95 (paper), ISBN 978-0-202-30512-7; \$51.95 (cloth), ISBN 978-0-202-30511-0.

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Who Makes Public Policy in America?

Theda Skocpol should be immensely flattered by the appearance of this volume, because it consists entirely of refutations of her work and the work of her students and associates. G. William Domhoff, a distinguished sociologist and frequent commentator on the power elite, sees the ascendance of Skocpol to a position of great influence in political science and sociology as marking the end of an era. The awards heaped on her 1992 book[1] reflect, according to Domhoff, “the return of political science and sociology to full normalcy when it comes to power and politics,” the “final step in the assimilation of the radicals in Skocpol’s generation into the academic establishment as they approach their fifties” (p. 258).

Domhoff, in contrast, has kept the faith and continued to assert the importance of what he calls “class dominance” as a way of understanding the development of the American state. He feels so strongly about his premise that he has written this book of essays. After an extended introduction in which he lays down the rules of his general theory, he engages in a close critique of the work of Skocpol and her colleagues. The specific cases he considers involve New Deal agricultural policy, the National Recovery Administration, Social Security, industrial mobilization for the Second World War, and social legislation in the Progressive Era. The last is an extended and very critical discussion of Skocpol’s 1992 book.

Like the terms of any family quarrel, the details in the essays may be difficult for outsiders to follow. For historians there is an added factor of distance brought about

by the slightly surreal quality of the arguments. Historians may not quite grasp how Domhoff and his enemies can engage in such a spirited fight when both sides rely almost exclusively on secondary evidence. Where historians may be content to say that no one factor explains a particular event, Domhoff appears intent on isolating that one factor. Reading the book, I felt the way I sometimes do when I listen to arguments over baseball. One has to know a lot of the particulars in order to appreciate the argument, and the stakes of the argument often do not seem that consequential. The more of the book one reads, the more one wants to step in and offer some sort of compromise.

Because of my personal interests, I read the chapter on Social Security with the most enthusiasm. I think this chapter is the one in which the author takes the most pride, in part because it has the greatest quantity of original research and does not repeat the author’s earlier arguments. In this highly original essay, Domhoff makes the argument that, contrary to the views of Ann Orloff (whom we are meant to see as a Skocpol stand-in), the Social Security Act of 1935 was in fact the work of members of the “Rockefeller Network.”

At first glance, it sounds ridiculous, and one is tempted to dismiss the argument out of hand as another exaggeration of the Rockefeller’s family influence over American life, a Populist parody of American history. Domhoff himself was skeptical of the argument. As one reads further, however, one gets drawn into Domhoff’s

line of reasoning. He urges us, in the manner of Bob Woodward and Carl Bernstein, to follow the money. Rockefeller money leads everywhere, if one traces the various philanthropies and institutions whose lives depended on the family's funding. One trail takes us to the Social Science Research Council (SSRC), another to the Industrial Relations Counselors Inc. (IRC), and both of these organizations figured prominently in the history of Social Security.

Let's start with the SSRC. This organization funded Social Security personnel during the critical start-up period in the summer and fall of 1935. It also engaged in an intensive study of the Social Security Board in its early days, hoping to produce "a capture and carry" account that would provide revealing lessons in public administration. Among those whose salaries were briefly paid by the SSRC was Social Security insider Wilbur Cohen, who liked to boast that he was the first person ever hired by the agency and who became a central figure in the agency's relations with Congress. (I understand that someone has recently written a biography of Cohen).[2] So the SSRC took money from the Rockefellers and gave it to the Social Security Board.

The key question, of course, is what the SSRC got for its money. In the case of Wilbur Cohen, I would argue that it got comparatively little. He never gave his primary loyalty to the SSRC, nor did his loyalty to the Rockefellers ever exceed his dedication to, say, the University of Wisconsin or his boss Arthur Altmeyer. One could find a number of links between Wilbur Cohen and the Rockefellers in Cohen's career. In the 1950s, for example, he contributed to a Rockefeller-financed study of the national purpose, yet even though he took a check from the Rockefellers, his analysis reflected his experiences in the bureaucracy. Rockefeller money, in other words, did not buy what the Rockefellers necessarily wanted to hear, any more than the present grantees of the Rockefeller foundation reflect the interests of Standard Oil or the Chase Manhattan Bank. In much the same way, one could speak of the University of Chicago as a Rockefeller institution, but I doubt that Saul Bellow or even Milton Friedman ever felt beholden to the family. As for the SSRC study of the Social Security bureaucracy, it was not published until 1970, long after it could have had any influence over the agency.

The other trail of Rockefeller money takes us to the Industrial Relations Counselors. Making good use of archival materials in Pocantico, Domhoff establishes the fact that after the Ludlow mining disaster the Rocke-

fellers became interested in personnel work and more broadly in the field of industrial relations. No one would deny that fact. That interest led the family and its many associates to fund Industrial Relations Counselors, Inc., and two research programs in industrial relations, including the one at Princeton. These organizations produced people who carried the Rockefeller goals—shaping the labor market and reducing labor militancy—to the deliberations of the Committee on Economic Security and hence to the Social Security Act. Rockefeller people thus wrote the unemployment and old-age sections of the act.

This argument has a lot to commend it. Douglas Brown of the Rockefeller-funded industrial relations section at Princeton and Murray Latimer, a former employee of the Industrial Relations Counselors, were intimately involved in the creation of the old-age sections of the Act. Brown has always emphasized the relative independence that this group enjoyed, since nearly everyone else was focused on unemployment compensation. Other IRC employees were, in effect, loaned to the Committee on Economic Security to work on unemployment compensation.

Domhoff is right to point out that many of Brown and Latimer's preferences in old-age insurance prevailed in the act. They wanted a national old-age insurance law, and they got it. Presumably, their choice of a national, as opposed to a state-by-state, law also meshed with the desires of Walter Teagle and other industrialists associated with the Business Advisory Council. Domhoff is wrong, however, if he thinks that Brown or Latimer, or Walter Teagle for that matter, dictated the terms of the act. They lost a crucial battle over how the program would be funded, for example. In the case of financing, which involved the payroll tax rate and therefore of tremendous interest to business and presumably to the clients of the IRC, the preferences of Franklin Roosevelt mattered more than did the preferences of the Rockefellers.

As for unemployment compensation, the IRC did help to write various versions of the law. This area of public policy proved to be far more contested than any other that the Committee on Economic Security considered, with the possible exception of health insurance. In the contest, the IRC won some and lost some, just as Edwin Witte did. The Rockefellers were in the arena but did not always prevail. If that sounds like a weak version of pluralism, so be it.

I doubt that my conclusions surprise anyone, nor should anyone be surprised to learn from Domhoff that the IRC helped to write the unemployment provisions of

the Social Security Act. The Committee on Economic Security relied on experts hastily recruited from state government, private corporations, and private foundations, such as the Milbank Fund. The state exercised little autonomy in this matter because the relevant bureaucracy had not yet been established (one of the chief arguments, by the way, of *Creating the Welfare State*, which discusses some of these issues).[3] As Martha Derthick has shown, however, state autonomy over Social Security increased with the bureaucratic development of the Social Security Board.

As with Social Security, so with the other case studies in the book. The more one explicates Domhoff's arguments, the more one reveals the "inside baseball" nature of the book. Without meaning to give up on social science or to dismiss Domhoff's empirical spirit, I doubt that his various claims can be proved or disproved. The case of the Rockefellers and Social Security is typical. To accept Domhoff's argument, one must accept Douglas Brown as a Rockefeller surrogate and believe there is a Rockefeller or at least a class-specific position on Social Security. In the end, influence is a subjective matter, a question of degree. The Rockefeller connection adds an interesting angle, yet does not diminish the influence of Wisconsin

state officials or of key politicians like Franklin Roosevelt.

Of course as historians we have the luxury of being ideological wimps and adopting an eclectic approach. For Domhoff, in contrast, the question of influence approaches mortal combat. The bellicose nature of the book gives it a harsh and combative tone. Ironically, by charging so hard after Skocpol, Domhoff may succeed in having a whole new group of readers go out and read her work. I would prefer that Domhoff simply tell his side of the story, which, in the case of Social Security, he does very well.

Notes [1]. Theda Skocpol, *Protecting Soldiers and Mothers: The Political Origins of Social Policy in the United States* (Cambridge, Mass.: Belknap Press of Harvard University Press, 1992).

[2] Edward D. Berkowitz, *Mr. Social Security: The Life of Wilbur J. Cohen* (Lawrence: University Press of Kansas, 1995).

[3]. Edward Berkowitz and Kim McQuaid, *Creating the Welfare State: The Political Economy of Twentieth-Century Reform*, rev. ed. [1980]. (Lawrence: University Press of Kansas, 1992).

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