

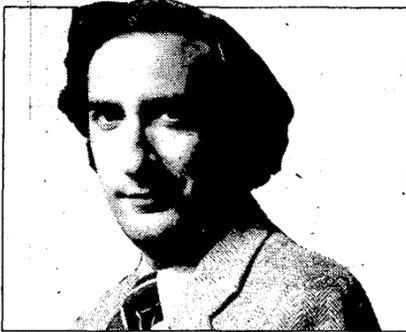
DAVID VOGEL

## Simple Simon: a Gramsci for the ruling class

**THE BUSINESS COMMUNITY** is currently mounting a major propaganda offensive. Its immediate purpose is political. Executives want to shift the political agenda away from the goals of consumer, environmental, civil rights and women's groups and to halt the momentum toward increased government regulation of business. Business maintains the dominance over government regulatory policy it has enjoyed during most of the post-war period, but its current campaign is not confined to conventional political techniques such as more sophisticated lobbying or more extensive fund-raising. It also includes an important ideological dimension.

Business has borrowed a key element of the political strategy of the New Left. Like many radicals during the '60s, executives believe that it is the political consciousness of the people that in the long run will determine the fate of American capitalism. Defeating the Consumer Protection Agency or the labor law reform bill are only stop-gap measures. To them it is more important to establish a climate of opinion in which restrictions on management prerogatives can not be seriously debated.

William Simon, investment banker and former Secretary of the Treasury (1974-1977), has aspirations of becoming the bourgeoisie's Gramsci. His current best-seller, *A Time for Truth*, is not striking for its hackneyed defense of free enterprise nor for the self-pitying account of



his efforts to cope with the energy crisis and New York City's impending bankruptcy. These are predictable, if mildly interesting. The book is an important political document because of its last chapter, "The Road to Liberty," which maps out a strategy for business to recapture control of the "marketplace of ideas" from the "moral and economic despots" who "constitute the vocal intellectual superstructure of this country."

Simon is convinced that the future of American business is in the hands of those who dominate the nation's universities, foundations, media and public sector bureaucracies. For too long, he argues, business has been indifferent to the importance of ideology; corporations have freely allowed society's non-productive institutions to espouse "anti-capitalist" or "collectivist" ideals. Simon believes that intellectual pluralism in America has gotten out of hand; the time has come for business more directly to control those who produce and distribute ideas.

How can business make capitalism the "dominant orthodoxy" it was 40 or 50

years ago, before the New Deal? Essentially by making wiser use of the one resource corporations still have in abundance, namely money. Simon proposes that business wage an aggressive "three-front" struggle focused on the institutions that are the leading proponents of "collectivism" and "economic authoritarianism," namely, the foundations, the universities and the media. The guiding principle of this campaign is simple: Corporations, business foundations and individual executives should give financial support exclusively to those "intellectuals and writers who are fighting" for the "survival of the capitalist world." Furthermore, corporations should not advertise in "anti-business" publications. Simon is convinced that this policy threatens neither academic freedom nor freedom of the press; all it does is give the "beleagued" voices of "liberty" a chance to be heard.

Simon's program is consistent with the conventional wisdom of the business community. As Leonard Silk and I documented two years ago in *Ethics and Profits: The Crisis of Confidence in American Business*, all but a minority of corporate executives place the full blame for their poor public image on college professors and journalists; they are fully convinced that if only the public could learn the truth about how American capitalism really works, they would no longer support those who oppose business' political goals.

For nearly a decade, businessmen have found the state of public opinion terribly frustrating, but have been unable to figure out what to do about it. Now Simon's plan provides executives with a way of getting back at those whom they identify as the fundamental source of their problems.

What is one to make of all this? Business' current drive for ideological dominance evokes unpleasant memories of the '20s and '50s. Those decades of ideological and political repression each followed a period of relatively extensive political gains for non-business forces, not dissimilar to the last decade. But while we can look forward to an avalanche of books, magazines, research reports and conferences touting the virtues of free market economics, the influence and visibility of left-liberal ideas is likely to persist.

There are three reasons why we will not witness a repeat of the conservative intel-

lectual climate of the '20s or '50s—however much money corporations pour into right-wing scholarship. The first is that the performance of the American economy in the 1980s will remain far inferior to what it was during the other two decades. It is far more difficult convincingly to defend an economic system that is not delivering the goods than one which is. For an ideology to dominate it must bear some semblance to daily reality.

Secondly, what made the corporate repression of critical ideas during the '20s and '50s so effective was the ability of conservatives to link hostility to business with anti-Americanism. But even as tensions with the Soviet Union increase, no one—including Simon—is accusing the consumer or environmental movements of furthering the cause of global communist expansion. (On the contrary: The corporate community is itself the biggest supporter of detente.) The lack of an external "threat" to national security seriously limits the effectiveness of the repression of ideas critical of business.

The final difference is political. As long as either the Presidency or a majority of the Congress is controlled by liberal Democrats, the government is unlikely to allocate its considerable educational resources to Simon's criteria. It is one thing for corporations to cut off liberal institutions (obviously radicals are not used to extensive subsidies by corporations and foundations, in any event), but quite another for HEW or the National Science Foundation to commit itself to propagating the ideas of Milton Friedman.

But even if a conservative like Reagan or Simon were to be elected President, they would have a difficult time forcing the government's educational and research bureaucracies to deny grants to those who did not share their worship of American business. In a sense, Simon is half right: liberal ideology has become too firmly entrenched in too many important institutions for conservative business leaders to re-establish the hegemony that they once could take for granted.

David Vogel is an assistant professor at the School of Business Administration, University of California, Berkeley. His most recent book, *Lobbying the Corporation: Citizen Challenges to Business Authority*, will be published next month by Basic Books.

## BOOKS

# Long neglected, Eastman's time has come

### CRYSTAL EASTMAN ON WOMEN AND REVOLUTION

Blanche Wiesen Cook, editor  
Oxford University Press, 1978

Crystal Eastman was a pioneering American socialist feminist in the early 1900s. At the helm of the hopeful radical movements of the 'teens she pushed her synthetic view in campaigns for labor legislation, militant suffrage, birth control, peace and anti-militarism, even in such *outré* causes as what in the next decade would be somewhat innocuously called "companionate marriage." A young woman full of great expectation, Eastman lived joyously through these years, wisely taking pleasure in all signs of liberation, large and small, from the workers triumph in Russia to women's new short hair styles.

Her optimism was short-lived. In the '20s Eastman found herself struggling hard to survive the forced retrenchment of radicalism. On many issues she painfully parted ways with longtime friends and allies in the labor and women's movements. Swimming against the tide, she supported the equal rights amendment and remained an unrelenting advocate of workers' revolution. If anything, the decade's political decay made her cling more strongly than ever to her socialist feminist principles. Stricken with a fatal kidney ailment, Eastman finally found the time and saw the necessity to get her ideas on paper. In the 1920s, she kept the revolutionary vision alive, and in these last years of her life actually created a

style of feminist journalism still powerfully engaging today.

Blanche Wiesen Cook has collected Eastman's essays and supplied a solid historical context. Equally important, Cook suggests why Eastman, in her time a woman of international repute—indeed, prominent in radical circles as her better-remembered brother Max—is so unfamiliar to us today. "The neglect," Cook writes, "is partly explained by the fact that history tends to bury what it seeks to reject." Quite right. Had Eastman been a little more mainstream, or had she suffered a collapse of will in the 1920s instead of continuing undaunted, she would have become at least a stock character in the rise-and-fall-of-feminism melodrama that historians have heretofore found so appealing. As Cook notes, especially little of the socialist feminist tradition would be passed on in the years between the Red Scare and Cold War, at least in the official historical records.

But it is not too late to set the record straight. In compiling this anthology, Cook has provided scholars with an invaluable historical source. But, if given the opportunity, Eastman's message will reach far beyond the academy. Her intimate and fascinating accounts of women's treatment by the 1920s popular press and intellectual establishment, her comments on sex-role stereotyping as seen in her own children, her perceptive glances at such personalities as Rebecca West and Bertrand Russell—these and many others should captivate feminists who

might never approach a narrow, historical work.

The greatest lesson Crystal Eastman has to give us, however, is political. Despite overwhelming political and cultural reaction, despite her own failing health, she had the courage to push on. As Cook says, "Crystal Eastman left us the

legacy of her life, her determination and her work. Her vision, lost for so long, enables us to build with more clarity." Well said.

—Mari Jo Buhle

Mari Jo Buhle teaches women's history and is finishing a book on the history of women and American socialism, 1870-1920.

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# PERSPECTIVES

## American socialism: an extended process of piecemeal change

BY SEYMOUR S. BELLIN & S.M. MILLER

THE FOLLOWING IS A CONTINUATION OF THE DISCUSSION on an American-style socialism begun by Leland Stauber's three-part series, "For a Socialism That Works" (May 3, 10 and 17). We invite others to contribute to the discussion. Stauber's articles and the responses by John H. Brown (May 31), Charles F. Lindblom (July 5) and John Hardesty (Aug. 9) are available upon request for \$1.50. ¶Two important practical and interrelated issues face any discussion of socialism in the United States. One is the appropriate form for running enterprises to public rather than private purposes. The second

how to get change, the so-called "transition to socialism."

What is produced, how it is produced, with what consequences for community life and economic and political democracy are the important questions that socialism must address. Consequently, it is not only the form of property that is involved, but also the way power is experienced in the shop and in the community, and the effects of production on the well-being of people. We define well-being in broad terms rather than strictly by market criteria or by some simple minded calculation called the Gross National Product.

"Socialist enterprise" can take many forms, especially in the piecemeal activities of many transitional periods. The British Labour Party nationalized several entire industries but with minimal worker participation in their decisions. Gar Alperovitz and William Foote Whyte have advocated worker- or community-owned corporations. Such corporations could have varying degrees of operating control at the managerial level by workers or by the community. In Britain some influential Labourites have advocated workers' control even within private enterprises, making basic management decisions independent of share-holding. Control by workers rather than the ownership of property by the state, institutions, or individuals is what is sought. Stauber in *ITT* has recommended ways of developing social ownership, building on Yugoslav experience.

We must be realistic about what form is desirable by recognizing, as Lindblom points out (*ITT*, July 5), that the actual form adopted will depend upon specific historic, economic and political circumstances. It is important to learn how to adapt to changing conditions, so that planning does not become a rigid process, but a framework for effective evaluation and adoption of new methods. Clearly, the appropriate form cannot be defined completely in advance, even though it is important to have a sense of direction in order to win support and provide a framework of action.

We should avoid a utopian view of what a socialist enterprise will be able to do. No social system is able to avoid contradictions, antagonisms and tensions. A decentralized socialist system has to weigh national against local priorities, as in the Yugoslav case. Enterprise profitability and reinvestment compete with wages, to some extent pitting the short-run against the long-run. Or, there may be tension between what is desirable for a group of workers and what is useful for the enterprise, community, the region, consumers, or nation.

We ourselves favor decentralized community- or worker-control with strong elements of work humanization usually

ignored in control-programs. We also favor a profound recommitment to political democracy and liberty. We do recognize, however, tensions in linking internal plant democracy and community autonomy to national macro-planning and greater equality.

Some advocate a planning from below where local enterprises make their plans with the national plan built around them. This approach has many agreeable aspects. It is also practical in many ways. But at times there may be important issues on which national plans have to shape local activities; e.g., in developing major new industrial programs or in reducing regional inequalities. The decentralized model is incomplete without a delineation of appropriate national action.

While social scientists have written extensively on organizations, they have given us little on how to build flexible organizations under government, worker or community control. A sociology of socialist organization is needed, one that welds together nonmarket criteria, national objectives, productivity and decentralization in new organizational designs. An attractive and effective form of socialist economic organization is an important element in winning political support for socialism.

The second issue, the "transition to socialism," is more difficult and more immediate. It involves relating current possibilities and activities to a broader vision of modern socialism.

While the French and Italian communist and socialist parties have grappled with the issue of transitions to socialism and have developed short-run strategies, the left in the U.S. has had much more trouble in thinking about the issue. This is not necessarily to espouse the Western Europe approaches, but to recognize the importance of having a practical political and economic approach as well as a theoretical outlook. Discussion in the U.S. is stunted by a simple-minded attitude toward "reformism"—embracing or rejecting it wholesale—reflecting an anarchist or "anti-politics" inclination.

Three characteristics of a transition period are likely to be its slowness, its piecemeal nature, and its difficulties. We can expect it to be a long period of slow, and sometimes quickened, change. The long transition will shape what follows. A socialist transformation will not be a moment but a stretched-out period of initiatives, resistances, adjustments, pressures, contradictions. It will be particularly long in the U.S., a profoundly conservative nation with short, infrequent liberal remissions.

Our view, consequently, is one of "episodic cumulation." In moments of disturbance, opening or crisis, some gains can be won in changing institutions and con-

sciousness. Although the changes may erode, over time they may exert a cumulative impact. In some periods, large-scale gains may be won. Even when there is a decisive movement toward what might be termed socialism, it will be a long time before socialism is fully developed. In any case, "socialism" will always be changing and growing. Thus, what we envision as socialism is not a once-and-for-always step but a long-term process of transformations, including changes within that stage called socialism.

Change will be largely piecemeal, a firm becoming a cooperative here, a firm or industry nationalized there. In this situation, it is important to distinguish between those activities that strengthen the capitalist system and those likely to change it drastically.

The experience of nationalization in Western countries provides some leads. The British practice of taking over some leading industries, usually those in decline, reveals some of the difficulties in what might be called "capitalist nationalization" as distinguished from "socialist nationalization." In the British scene, capitalist nationalization involved pricing the products of nationalized firms and industries, as in the coal and steel industries, so as to subsidize capitalist enterprises, increasing the profits of private firms rather than passing along lower prices to ultimate consumers or higher wages to workers. Thus, who benefits from production and pricing is significant. Again, there is a tension between benefiting the wage earners and the ultimate consumers.

A related issue is whether or not the cooperative or nationalized firm is run in ways distinctly different from those under capitalist control. In the UK, the original Labour notion was to organize nationalized industries so that they were run strictly on business criteria with a professionalized and insulated management negotiating with unions like any private enterprise. This seems a very limited step to-

wards a socialist society.

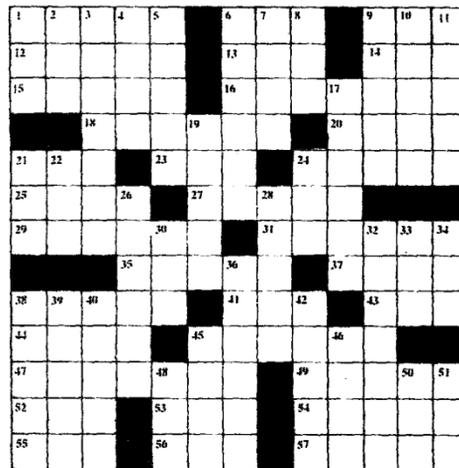
As the Polish socialist economist Oskar Lange pointed out four decades ago, nationalized and state ownership in capitalist societies have earned a bad reputation because they have chiefly taken over ailing firms. Certainly, nationalization is critically and negatively viewed, not only in the U.S. but in the UK and Italy as well. Worker and community cooperatives may face similar problems. This is a great issue of slow piecemeal change.

Non-cataclysmic change requires changing peoples' consciousness to a much greater extent than does the strategy of waiting for or fomenting an apocalyptic moment of revolutionary transformation. In a situation of slow, continuing difficulties or not much improvement, issues of ideological hegemony are central.

Calling for new forms of property control means raising issues which can be disturbing to many Americans because of their doubts about government activity. We have to think about new forms of control, forms which are likely to be attractive and efficient, avoiding the rigidities of bureaucratic structures.

In the U.S., as in Sweden and elsewhere, the possibility of new property arrangements arises from the threat of unemployment, resulting from corporate investment and disinvestment decisions. That points to the attractiveness of worker and community cooperatives as a response to plant shutdowns, though making them work economically and democratically will not be easy. But that is where the action now is in the U.S., and such cooperatives should be encouraged and aided. At least, they should help clarify the vision of the kind of socialism we seek—egalitarian, communitarian, non-alienating, offering both security and democracy.

Seymour S. Bellin chairs the Sociology Department at Tufts University. S.M. Miller is Professor of Sociology and Economics at Boston University.



- 56 Range
- 57 Passover dinner

**DOWN**

- 1 Controversial aircraft, for short
- 2 \_\_\_\_\_ loss (stumped)
- 3 Culture's meal
- 4 Hayworth
- 5 Paradises
- 6 Where the James flows
- 7 Turkish ruler
- 8 Defeated
- 9 Systems of signals
- 10 Celebes oxen
- 11 British soldier
- 17 Mourn
- 19 Italian highway
- 21 Inquire
- 22 RR stop
- 24 Vane direction
- 26 Classify
- 28 Within
- 30 Likely
- 32 Greet, as a performer
- 33 Stag's spouse
- 34 Cleopatra's nemesis
- 36 Site of limestone caverns
- 38 Roles
- 39 Notions
- 40 Disembarks
- 42 Layers
- 45 Snick's partner
- 46 Amaryllis relation
- 48 Sort
- 50 Mao \_\_\_\_\_ Tung
- 51 Poetic contraction

## A Stately Challenge

By Jay Shepherd

**ACROSS**

- 1 \_\_\_\_\_ Coeur, Parisian landmark
- 6 Flowery moisture
- 9 Maltese or Abyssinian
- 12 Conservative
- 13 I love, to Catullus
- 14 Beatle Lennon's wife
- 15 French pastry item
- 16 Realm
- 18 Bitterness
- 20 Paper unit
- 21 "\_\_\_\_\_ Lay Dying" (Faulkner)
- 23 Drunkard
- 24 Across Spacek
- 25 Greek portico
- 27 Levitate
- 29 Wizard of Oz locale
- 31 Gambler's turf
- 35 What the dish ran away with
- 37 Anthology, of sorts
- 38 Drive
- 41 Soak, as flax
- 43 Verve
- 44 Hebrew month
- 45 Consecutive

- 47 Letting, as rooms
- 49 Inspire with joy
- 52 Small measure
- 53 Astrological lion
- 54 Awaken
- 55 WWII draft group

Answer to last week's puzzle:

