

the reason for the current reduced spending is the relative reduction in monetary growth during the last half of 1974. From December 1973 through June 1974 M-2 (the money supply defined as currency in circulation plus checking accounts and savings deposits) grew at a rate of 8.9 percent. In the last half of 1974 it grew at 6.1 percent and only 4.8 percent in the third quarter. This has definitely created some slack in the economy. However, this slack should be gone soon since M-2 grew at 7.5 percent in the final quarter of 1974 and the Fed is even now pumping more money into the economy. Because of this, one of the questions concerning the tax cut is whether it is necessary. The cut is intended to pull us out of a recession. The available evidence would seem to show that the Federal Reserve's current action in increasing the growth rate of money will accomplish this alone. There are only two possible results of the tax cut. It will either "crowd out" private spending and thereby defeat its stated objectives, or,

more likely, it will increase monetary growth rates and thereby inflation.

It is possible that our government's urge to take this action derives from a misunderstanding of the relationships in our economy. This is most visible in the field of employment policy. For the last twenty years the policies of the federal government have been based on the "Phillips Curve." According to this relationship unemployment may be reduced by increasing inflation. There have been several studies lately questioning this relationship. One of the best of these is Samuel Morley's chapter, "The Phillips Curve," in his book *The Economics of Inflation*. Morley demonstrates that the curve is only a short-run phenomenon. There exists a normal unemployment rate which is the result of the structure of the labor market. Government action which causes the existing rate to go below this in the short run also causes reactions within the market which cause rates above the norm during the recovery phase of the inflationary cycle. It is this

that causes our unemployment problem today. When labor discovers that its real wage is being reduced because of inflation, it requires, in order to stay even, larger and larger nominal wage increases as inflation gets worse. Monetary and fiscal policies can have no lasting effects on unemployment. If government truly wishes to reduce long-run unemployment it must investigate the inefficiencies in our current labor market structure. Examples of these inefficiencies are current minimum wage laws, difficulties in learning about job opportunities, and organized labor's control over supply in various industries.

Without reductions in government spending a tax cut at this time will either accomplish nothing or, more likely, refuel the fires of inflation. Government should use its monetary and fiscal policies to aid in controlling inflation. In the area of unemployment it should investigate the above-mentioned restrictions in the labor market. □

Book Review/George Carey

## The Dance of Modern Men

Beyond any doubt Professor Wilson's *Political Organizations* will assume a very high place among the already vast and excellent body of literature in the political science field which deals with organizations and interest group behavior. More than this, it should serve to focus our attention once again on the importance of formal and informal group behavior in the larger context of the American political system. And this, to say the least, will be an accomplishment, for, as Professor Wilson correctly notes, over the past decade or so political scientists have increasingly turned their attention away from "group politics" to such matters as public policy content and impact, survey data findings, and the like.

Wilson's approach to his subject matter, the behavior of *voluntary* organizations, is both refreshing and novel: refreshing because he avoids the turgid theoretical mumbo jumbo characteristic of many, if not most, similar undertakings; novel because he eschews the widely used "rational model" and "natural systems" approaches which contain within themselves certain unrealistic assumptions concerning the goals and purposes of organizational behavior. As Wilson puts this matter: "The rational model assumes that all organizations have goals beyond member satisfaction, but this may not be the case (try, for example, to state intelligibly the goals of a university); it also assumes that organizational behavior is motivated by a desire to attain its goals, but it is obvious that

motives may be quite disparate and unrelated to stated objectives. The natural-system model is subject to all the criticisms leveled at functionalist approaches to social understanding generally—'system maintenance' is at best a tautology, at worst a conservative bias. Saying that organizations seek to survive is not very different from saying that organizations exist, a statement that is of

### *Political Organizations*

by James Q. Wilson  
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no interest at all and entails the risk of leading one to assume that survival, maintenance, and equilibrium are desirable social states."

The theoretical perspective offered by Wilson "is that the behavior of persons occupying organization roles (leader, spokesman, executive, representative) is principally, though not uniquely, determined by the requirements of organizational maintenance and enhancement and that this maintenance, in turn, chiefly involves supplying tangible and intangible incentives to individuals in order that they will become, or remain, members and will perform certain tasks." Though he believes this perspective can be profitably applied to groups other than voluntary, he does focus on voluntary organizations because it is with

respect to such noncoercive organizations "that the effects of incentive systems are most clearly visible."

The thesis which permeates *Political Organizations* is that the behavior of group leaders is best understood in light of "their efforts to maintain and enhance the organization and their position in it." Such an understanding clearly involves a knowledge of the "constraints and requirements imposed by their [the leaders'] organizational roles." But to understand their organizational roles, in turn, requires a full understanding of such factors as why people join organizations (incentives), the modes by which leaders are selected or elected, the very processes by which organizations were formed in the first place, and the strategies they employ in dealing with other groups and government. To put this otherwise, a broad knowledge of organizations in the sense indicated above enables us to comprehend the strategies and tactics of group leadership bent upon maintaining and enhancing both their own position within the organization and that of the organization vis à vis other organizations.

Common sense assumptions and observations prevail in the development of Wilson's theoretical perspectives (Section I). He assumes that individuals will "join organizations for a variety of reasons and that they are more or less rational about action taken on behalf of these reasons. Thus, they will not for long remain in an organization that offers

them the very opposite of what they want...." He also assumes that "executives seek chiefly to minimize organizational strain" and that the social and political structure of the general society (fragmentary or unified) will affect the external and internal ordering and behavior of organizations. Certainly one of the more important chapters in this section in light of his analysis in subsequent sections is chapter three, "Organizational Maintenance and Incentives," wherein the kinds and nature of incentives are discussed. Three major types of incentives, each containing within them variations, are identified: material, solidary, and purposive. Material incentives characterize those associations such as business and labor that either allocate "tangible benefits that are directly under [their] control or [regulate] access to these benefits." Solidary incentives are generally nontangible and involve status, prestige, camaraderie, and friendship; they are associated with a wide variety of organizations such as country clubs, lodges, charitable groups, etc. "Thus, solidary rewards as a whole differ from material ones in that their effect, and indeed their existence, depends on the maintenance of valued social relationships (money benefits, but not social ones, may be received and enjoyed anonymously and even in isolation and where public they are as valuable when received from an enemy or a faceless benefactor as when received from an acquaintance)." The characteristic of purposive organizations is that their members work for the presumed benefit of the public or societal whole. Benefits accruing to their members take the form of personal satisfaction for having accomplished or having worked for the common good. "Three kinds of purposes, and thus three kinds of organizations relying on purpose as an incentive, can be distinguished: goal-oriented, ideological, and redemptive."

In Part II, "The Perspective Applied," Wilson deals with four major associational groups: political parties, labor unions, business associations, and civil rights organizations. Citing a vast array of empirical evidence and utilizing his theoretical construct, he is able to show how various organizations within each of these groups possess what can be termed a "personality" of their own which impose varied and unique demands upon organization leaders. Only a few examples will be cited here in the context of incentives to illustrate Wilson's thesis.

The formation of the American Federation of Labor was facilitated by the fact that its incentives were primarily solidary; that is, its roots grew from independent but closely knit groups with common trades and often of the same nationality. Therefore, the concerns of AFL leadership until fairly recent times have been relatively narrow and local in nature. The Congress of Industrial Organizations' appeal, in contrast, was directed toward a nationally dispersed potential membership of lower economic and social status. Hence, in its incipient

stages, the CIO had to rely upon purposive incentives to attract membership. And even today with the merger of these two labor wings there are still detectable differences between the behavior and orientation of the staffs and leadership of both.

Political parties, already fragmented because of our diffuse political structure, present the full panorama of leadership difficulties in the context of varying incentives. Some political units are based primarily on solidary benefits, others on purposive incentives, and still others (machines) on material incentives. Indeed, most political organizations are based in varying degrees on all three. Each presents baffling problems and calls for an array of leadership technique and skills. It would be a mistake, for instance, to believe that solidary incentives yield greater unity and loyalty than purposive incentives. Neither is free from difficulties, although solidary organizations may even require more consummate leadership skills, particularly when there are significant ethnic, religious, and educa-



tional differences between the units comprising it. In this connection, the trend, as Wilson sees it, is a decline in material incentives and an increased reliance on the solidary and purposive.

Likewise, to understand civil rights organizations, their policy positions as well as their successes and failures, one must know and appreciate their history, structure, and incentives. The so-called "conservative" stance of the NAACP is due in large measure to its original goals and subsequent organizational development. As Wilson notes, "the NAACP from the first developed a structure and program that required little of the average member, permitted a variety of incentives to be employed at the branch level, limited its purposes to fairly specific goals that were generally approved by blacks, and engaged in campaigns that made it possible for victories to be won in the short term." The more "liberal" CORE and SNCC, on the other hand, "were redemptive associations relying on broadly stated purposes the achievement of which required not only a general transformation of society but also the exemplary conduct of members."

The remainder of this book, divided into three major sections ("Internal Processes," "External Processes," and "Political Roles"), would be impossible to synthesize here save to note that the elements of the theoretical perspective—incentives, social and political structure, rationality, and self-interest—are all employed for understanding both the

internal and external behavior of group leaders. Here we must pick and choose and note in a general way only some of the interesting areas surveyed.

(a) Cleavages between the professional staffs and members of an organization are not uncommon. Extrapolating from the materials presented, one of the chief and more obvious reasons for this is a difference between the membership and staff incentives. For example, the researches of Lawrence N. Bailis which focused in part on the organization of the welfare mothers in Massachusetts showed that the state-paid organizers were far from content to provide simply the material incentives which were, understandably enough, uppermost in the minds of the members. Indeed not. The staffers "were more interested in building a political movement among the poor that would play a leading role in the reconstruction of society and government." (I should also add that Dr. Michael Balzano, now director of ACTION, found essentially the same situation in VISTA while researching his Ph.D. dissertation.)

But such cleavages are not confined only to social welfare organizations. As Wilson notes, "Professional staff members of labor unions frequently wish to see their organizations act more aggressively on larger social issues than does the elective leadership, but the staff members are only occasionally in a position to carry out their desires."

One reason for friction between staff and members, as Wilson points out, certainly has to do with the relative educational, social, and economic status of staff personnel. "In the Massachusetts Welfare Rights Organization, for example, the paid staff consisted for the most part of young, college-educated whites with a middle- or upper-middle-class background, whereas the membership consisted of women, mostly black, on welfare." However, there can be no doubt that many of those who serve in such staff capacities find their chief incentive to be ideologically purposive and of a distinctively left-wing character.

(b) In an insightful chapter entitled "Organizational Democracy," Wilson suggests the following proposition: "In general, larger organizations seem less democratic than smaller ones, older ones less democratic than younger ones, and those created from the top down less democratic than those built from the bottom up. The evidence is not conclusive, however, and there are important qualifications to each of these generalizations."

One of the principal exceptions to the rule involves the factors of "structure and environment." A large voluntary association, for instance, may seem highly democratic, if one looks only to its local units. However, its national leadership may, because of the highly decentralized structure, have a freer hand in ignoring local "wills," the more so as the resources of the organization are channeled to the top.

Incentives obviously play a role in

determining the internal ordering of an organization. "The kind as well as the value of the incentive employed will affect the demand for democratic forms. Organizations that distribute primarily money benefits are less likely to be democratic than ones that distribute other kinds.... As long as a leader delivers money benefits that substantially exceed the costs of membership, he is not likely to be challenged." Purposive organizations, on the other hand, are generally prone to a more democratic structure, particularly as there is a need to define their purposes and formulate tactics for goal achievement. Solidary incentives by their very nature provide a strong impetus for democratic participation.

(c) Contrary to popular belief, competition between voluntary associations is not common. "Associations, seeking to maintain themselves, are highly averse to risk and thus to active rivalry except under special circumstances. The easiest and most prudent maintenance strategy is to develop *autonomy*—that is, a distinctive area of competence, a clearly demarcated and exclusively served clientele or membership, and undisputed jurisdiction over a function, service, goal, or cause. Just as executives seek to minimize strain in managing the internal affairs of the association, so also they seek to minimize it in their relations with other organizations. Autonomy gives to an association a stable claim to certain resources and thereby reduces uncertainty and lessens threats to survival."

Coalitions, in the sense of "enduring" unions for the advancement of common goals, interests, etc., are also rare. Such coalitions may come about to ward off a perceived threat to existence, to cease costly competition, or to gain a highly significant benefit. More likely, however, temporary or ad hoc alliance is the rule.

And (d), contrary to the impression one might gain from reading certain Washington columnists, group pressure in the governmental process is highly exaggerated. There are, of course, exceptions to this rule which Wilson duly notes. And while it is true that certain groups are known to take an ideological stance on a wide variety of issues (e.g., National Association of Manufacturers, AFL-CIO), the requirements of organization mean that they must be selective in mobilizing their resources. This means that "Whatever the timing or nature of the intervention, the experienced organizational representative will see his task as one of evoking, maintaining, and enhancing existing relationships with sympathetic or like-minded public officials. He, like the precinct captain of a political party, will devote most of his 'contact' time to stimulating activity by, and providing information to, persons who he has reason to believe are in general agreement with him. Time, energy, and money are in short supply; diverting much of any of these resources to persons known, or suspect, to be opposed to you is less efficient than devoting them to persons who, once aroused and informed, will act on

your behalf." Moreover, organizations are likely to "mobilize" only with respect to policy programs which call for "distributed benefits and concentrated costs" or "concentrated benefits and concentrated costs." More exactly, "When a specific, easily identifiable group bears the costs of a program conferring distributed benefits, the group is likely to feel its burdens keenly and thus to have a strong incentive to organize in order that their burdens be reduced or at the very least not increased." So, also, with "[p]rograms that benefit a well-defined group but at a cost to another well-defined group...." Conversely, programs involving "distributed benefits and distributed costs" or "concentrated benefits and distributed costs" will usually not provide incentives for intense organizational activity or conflict.

Now, Professor Wilson has performed his task admirably. He has done what he set out to do and students of the American political system are immeasurably better off for his fine analysis. Yet, the book itself points to broader concerns of



profound significance, concerns which are in themselves beyond the purported scope of the book, but which nevertheless emerge from its pages. We are told that there has been a "rapid expansion of government policy that has produced a kind of immobilism to the extent that each new program has acquired, or even created for itself, a client association that makes it difficult to change, and impossible to abandon, the original measure. The competition of interest groups does not, in the long run, make it difficult for the government to start doing things, it only makes it difficult for the government to stop." This much at least is beyond question.

But the question arises: Whither now? I do not mean this in the sense of whether our more ambitious national programs work, whether they are based on a fiscally sound policy, or even whether they will not eventually undermine the basic fabric of our society. These *are* legitimate concerns all too frequently ignored by the dominant liberal intelligentsia.

Rather, my concern is related to "legitimacy" in the broadest sense of the term. As Wilson points out, "autonomy" is a highly cherished end of an organization but he also writes that "establishing legitimacy is the essence of organization struggle." Legitimacy in the broad sense to which I refer corresponds to Wilson's use of the term in chapter fourteen, though, like Wilson, I find it easier to talk around it rather than define it. We say a

group is legitimate or acquires legitimacy when its demands are not outlandish, when what it seeks is reasonable—or, put otherwise, when its demands are "within reason by the standards of the larger publics...."

Such being the case, a whole host of vital considerations come to the fore. Who or what sets the bounds within which the larger publics determine "reasonableness"? How is this done? I do not mean to set us off on a circle-squaring expedition or point up what many believe to be an inherent weakness in group theory. Quite the contrary. Group theory perhaps more than any other enables us to gain a finer realization that the expansion or contraction of these boundaries is perhaps the most important factor of all in analyzing the political system and its direction. And it is not a long step from this to the further realization that such boundaries simply do not establish themselves, that there are institutions (organizations?) that play a greater role in fixing boundaries than others. For "openers," we have a pretty good idea that the "respectable" mass media and universities (institutions which presumably train the young) are important.

And the further one inquires into this matter of boundary setting, and hence the legitimacy of demands upon government and the private sector, the more one begins to wonder whether the process starts from the "bottom up" (a genuine reflection of public deliberation or response to a genuine or felt need) or from the "top down" (the ideological dictates of those upper-middle-class, well-educated individuals to whom Professor Wilson refers on more than one occasion). If the latter, even with respect to our larger public policy programs, the United States is in for deep trouble. And it simply will not do to place the blame, as so many are wont to do, on "mass politics."

In this connection, while it may be an exaggeration to say that the respectable media can confer instant legitimacy to an organization and its demands, we are not far from the mark in saying that it is highly important in what can be termed an indirect process of legitimacy conferral (e.g., those nice little college kids of a few years back, the best and brightest, who merely wanted to vent their inner frustrations with and demands on the academic structure). But, if instant conferral of legitimacy is beyond the powers of the mass media, instant conferral of illegitimacy is not. And this in the long run may well be the most significant factor in our political processes.

Finally, I should add, this whole problem area is compounded by those well-fed, upper-middle-class, highly-educated cadres who now perceive just how easy it is, given our present processes of fixing the boundaries of legitimacy, to keep jabbing and poking for ever-expanding boundaries. And for this, in large measure, we can thank our "illustrious" law schools and our "distinguished" jurists. □

## The Bootblack Stand



by  
**George  
Washington  
Plunkitt**

*Dr. George Washington Plunkitt, our prize-winning political analyst, is celebrating the publication of his new book, which is now available at avant-garde bookstores throughout New Jersey. Dr. Plunkitt's book is about the importance of altruism in politics and it is titled What's in It for Me? Although Dr. Plunkitt expects to earn ten million dollars from sales of his new book, he has agreed to continue to advise public figures through this column. Address all correspondence to The Bootblack Stand, c/o The Alternative, P.O. Box 877, Bloomington, Indiana 47401, Continental U.S.A.*

Dear Dr. Plunkitt:

I am sad to report that one of my research staffs—I can't recall which—has discovered another example of how business is swindling the average American; this time the culprit is none other than that seemingly sympathetic little man down at the corner florist shop who supports a media campaign that is one of the most powerful ever launched. For years this media campaign has preyed on millions of grieving Americans, urging them to send flowers and get-well bouquets to hospitalized relatives and even to funeral homes. But now, after utilizing some of the most advanced research techniques known to medical science, my staff has discovered that there exists almost no causal connection between flowers and medical recovery, to say nothing of resurrection. In fact, flowers

may even exacerbate some patients' conditions, for instance, hay fever sufferers. We sent questionnaires to one thousand and twelve terminal cancer patients asking them if they noticed any improvement in their condition upon the arrival of costly floral arrangements. Few of the patients had experienced enough improvement even to respond to our questionnaire, and of those who did reply it was obvious that their misery had only been increased. Further, every single patient eventually died—even those receiving more than one floral shipment. In the case of the one thousand and twelve questionnaires we sent to funeral parlors, the response was even more telling—not one reply and no resurrections. It is about time that Congress blew the whistle on this heinous ripoff. What do you suppose our chances are of regulating the florist

industry during this Congress?

—Ralph Nader

Dear Mr. Nader:

Nationalization is the only answer. I suggest that you get on the phone with Henry Reuss immediately.

—GWP

Dear Dr. Plunkitt:

I don't know if you remember me but I am the present Speaker of the House of Representatives, you know, the one they call Howdy Doody, the one who for some embarrassingly long periods the past two years was next in line for the Presidency? Well, I now have my hands full with this Ninety-fourth Congress which is filled with young newly-elected liberal Democrats. Many of them are refusing to sit in the same hall with Republicans, who they believe give scandal and steal stationery. I have told them that all that stuff is just the kind of rhetoric we Democrats use to get elected, but they insist that sitting next to Republicans will be bad for their political careers and will get them into trouble with their in-laws. What can I do?

Cordially,

Carl Albert,

Speaker of the House

Dear Mr. Albert:

I think you have overreacted. Once the new Congressmen relax and see how easy it is to spend other people's money, I believe they will sit down with anyone. That is the beauty of what we now call interest-group politics; everyone shares the common interest of spending other people's money, and everyone gets along fine.

—GWP

Book Review/Robert G. Perrin

## Melancholy Frenchman

*The Sociology of Emile Durkheim* is a remarkable achievement. Written by one of today's pre-eminent social scientists, this volume captures, in just under 300 pages, the seminal contributions of one of the most original, influential, and perennially contemporary sociologists in the history of the discipline. This book is recommended to all who wish—at one and the same time—an introduction to Emile Durkheim and to some of sociology's best thinking about such phenomena as crime, authority, religion, morality, power, and personality.

After an introduction dealing with Durkheim's biography, milieu, and intellectual antecedents, Professor Nisbet turns, in the first chapter, to Durkheim's celebrated idea that sociology is entirely independent of psychology, having its

own subject matter in "social facts." Social facts are "things" having an objective reality in their own right, e.g., laws, religious beliefs, traditions, morals, and values; their provenience is not to be

*The Sociology of Emile Durkheim*

by Robert A. Nisbet  
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seen or explained in terms of innate psychological categories, but in the "system of association," the structure, of the social group itself; their function is to be seen not in terms of individual utility per se, but, more basically, in terms of social utility, e.g., societal integration and adaptation; and they possess enormous powers of "constraint"—there are pen-

alties or resistance to their violation.

Durkheim's signal contribution lay, as Nisbet tells us, in his "unremitting effort to utilize the idea of patterned social behavior, of structure, in the explanation of human ideas and acts." The second and subsequent chapters detail the application of this insight. Not only is religion, for example, an emergent of group life and structure, something strictly social (not psychological) in origin and functional in consequence, but so is crime. Far from being abnormal, a certain amount of criminal behavior is both "normal" and functional for group solidarity. The continued integrity of structural arrangements and associated sentiments and values requires a periodic re-affirmation of their legitimacy. An important mechanism for this is found in