

for bringing corruption to its current level. One of the most important conclusions that Simis derives from analyzing the state of corruption in the Soviet Union (and one can hardly disagree with him) is that in the Soviet Union, life without corruption is unthinkable. Though it exists in other countries, it still can be eliminated by one method or another and society will only gain from the elimination. The Soviet Union, however, would simply disintegrate, because all its links would be broken, just as a car engine breaks down when deprived of lubrication.

Simis mentions campaigns against corruption that from time to time arise in the Soviet Union. But one does not have to be a fortuneteller to predict how all of these campaigns will end: with nothing, or as Russians say, with "pshik." And this is, of course, obvious. The Soviet government cannot rid society of corruption as long as it remains Soviet. It is as simple as that, says Simis.

It is strange, therefore, that the new boss in the Kremlin, Yuri Andropov, started his activities in office with yet another anticorruption drive. He even appointed one of his most loyal KGB men, Vitaly Fedorchuk, to run this campaign. Being an intelligent and educated man, Andropov should know what are, as mathematicians say, the necessary and sufficient conditions for the total elimination of corruption in the Soviet Union. Does this mean that Andropov wants to finish off the Soviet regime? Or perhaps that he is not so perceptive as many may think? In any case, the book by Simis provides an excellent picture of Soviet life as it really is.

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## Foreign Policy: Tool for the Keynesians

### Strategies of Containment

By John Lewis Gaddis

New York: Oxford University Press.

1982. 432 pp. \$9.95 paper

Reviewed by Bill Evers

John Lewis Gaddis is the leading Establishment, antirevisionist historian of the Cold War. *Strategies of Containment*, which treats American policy toward the Soviet Union from the Truman years through the Nixon-Ford years, is a continuation of his 1972 work on the origins of the Cold War. Gaddis's approach in this new book is to organize the subsequent history of the Cold War around the successive strategies used by the US government in dealing with the Soviets. Thus, each of the principal strategies (such as George Kennan's containment, John Foster Dulles's "New Look," and Kissinger's détente) has two chapters devoted to it—the first, discussing its logical and conceptual content; the second, its implementation and results.

Because strategy is the application of scarce resources to the achievement of policy goals, Gaddis's focus necessarily leads him to place major emphasis on past debates over the military budget. He shows, more clearly than previous historians have, that Keynesian economics was directly responsible for the tremendous boost in US military spending in the early 1950s. What united Wall Street banker Robert A. Lovett and welfare-state economist Leon Keyserling during the Truman administration's Cold War planning was a common belief that government spending (including military spending) should be used to stimulate the economy.

After World War II, fiscal conservatives in Congress, the Council of Economic Advisers, and the Budget Bureau had kept military spending relatively low. But Keyserling's crusade within the government to use spending as a tool for improving the overall economy provided a welcome excuse for bureaucrats in charge of military and foreign policy to burst through all budget constraints. As Gaddis writes, "These ideas did not originate in the Pentagon.... They came instead from a group of liberal civilian advisers eager to apply Keynesian techniques to the management of the domestic economy."

The facts about the Keynesian role in

US military spending are of vital importance to critics of all government spending. For those inclined to be indulgent toward military spending but critical of New Deal-Fair Deal-Great Society economics, we have evidence that what is labeled "military" spending is actually Keynesian deficit-spending designed to fulfill Keynesian planning goals. For those inclined to be indulgent toward Keynesian economics but critical of military spending, we have evidence that top Keynesians themselves saw military spending as the highest form of Keynesian economic management—that the Fair Deal was a good deal for military contractors. This evidence should help discredit both US military spending and Keynesianism.

Gaddis's principal virtue is his alertness to the centrality of military spending, which leads him to pay some attention to past fiscal-constraints arguments. He cites, for example, Sen. Robert Taft's statement that "there is a definite limit to what a government can spend in time of peace and still maintain a free economy."

One interesting feature of Gaddis's book is his provision of full documentary evidence that during the Cold War, American leaders did not believe at any point that the Soviets were about to launch either a general war or a push across Europe to the Atlantic. Marshall's foreign aid plan and NATO were designed not to meet an imminent Soviet attack but to solve Western powers' domestic political and economic problems. At one point, for example, a US foreign policy-maker opposed going public with a State Department plan for a reunited, demilitarized Germany, fearing that successful negotiations with the USSR could lead to a taxpayers' revolt against US military spending.

While concentrating on the US government's foreign policy strategies provides a neat way of organizing a mass of historical data, it turns out to be too neat. Because everything is looked at from the government's perspective, critics with alternative strategies, like Herbert Hoover or Taft, get short shrift. Those interested in pursuing such alternatives will have to read Justus Doenecke's *Not to the Swift*, Ronald Radosh's *Prophets on the Right*, or, best of all, John T. Flynn's *As We Go Marching*.

Furthermore, Gaddis himself has a balance-of-power view of the Cold War and this, together with his decision to look at the Cold War in terms of the



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American insiders' strategies, means that all his criticisms assume the basic correctness of their interventionist foreign policy. There is no questioning of fundamentals, no forthright moral judgments—no understanding that the real muse of history is not Clio but Rhadamanthus, the stern judge of the Greek underworld.

Thus, because Gaddis sympathizes with Kennan's original containment policy, he tends to whitewash Kennan's misdeeds. Kennan did call for US military intervention in Greece, Italy, and Taiwan during the early Cold War. He did advocate a US quick-strike force and endorse covert action. He did talk about justified preventive war against the USSR.

Kennan's refined plan for containment had US military commitments confined to the protection of vital industrial regions. But Gaddis's reader does not learn how easily Kennan himself abandoned such strategic limits and expanded containment to include places like Korea. Kennan's scheme had no built-in resistance to globalism, but the reader will have to turn to a critic like Lloyd Gardner to find this salient point.

Another problem: Ten years ago, Gaddis made the intellectual effort to reply to New Left revisionists—who in their arguments stress the importance of ideological motives or perceived economic needs. For example, revisionist historians point out that many US policymakers maintained in the early 1950s that Japan needed markets in Indochina and Southeast Asia (or else Japan would do business with Red China and fall under that country's influence). This, according to these policymakers, was why America had a major interest in Vietnam's future. It is unfortunate that in his 1982 book Gaddis does not even mention this possible motive of US policymakers, resulting in a large gap in his account of the Vietnam war.

I also have two lesser complaints. At one point, Gaddis describes Eisenhower's "open skies" inspection plan for disarmament as a sincere proposal. Later on, he correctly describes it as an "embarrassing" reversal of position that "seemed to call into question" American sincerity. It can be hoped that Gaddis will, in his next edition, straighten out this inconsistency. Second, Gaddis takes too seriously the idea that in 1949 Stalin switched the basis of Soviet foreign policy from the inevitability of war with the West to peaceful coexistence. In reality, this change had come with the

end of Western intervention in the Russian civil war.

The most valuable aspect of this book—from the point of view of free-market advocates—is the author's treatment of the interconnection between foreign policy and domestic economic policy, especially his treatment of the crucial role of Keynesian economists. This alone, despite the book's other faults, makes it worthwhile reading.

*Bill Evers was the founding editor of Inquiry magazine. He is a graduate student in political science at Stanford.*

## Can Regulators Reform?

### Social Regulation: Strategies for Reform

*Edited by Eugene Bardach and Robert A. Kagan*

*San Francisco: Institute for Contemporary Studies. 1982. 420 pp. \$19.95, \$8.95 paper*

### Revolt Against Regulation: The Rise and Pause of the Consumer Movement

*By Michael Pertschuk*

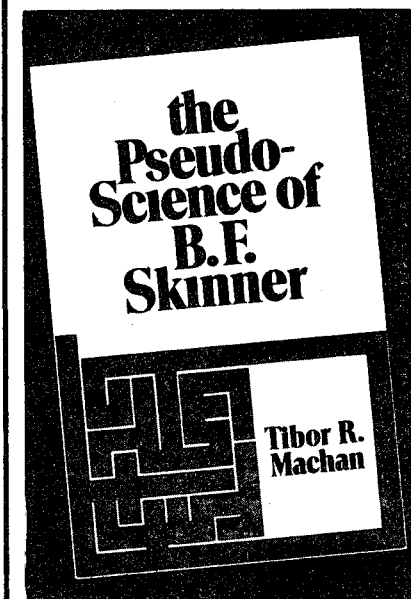
*Berkeley and Los Angeles: University of California Press. 1982. 192 pp. \$12.95*

Reviewed by David R. Henderson

*Social Regulation* is a collection of essays by specialists in regulation presenting strategies for reforming food and drug, occupational safety, and pollution regulation. The quality and interest of the essays vary greatly, but those by William Havender, Michael Levin, Thomas Grumbly, and Michael O'Hare best succeed in making their case.

Havender, a research biochemist, discusses the problems involved in regulating foods and drugs. After giving a lucid introduction to research on health hazards, he explains how perverse incentives guide the Food and Drug Administration (FDA). The result is that the agency holds drugs off the market even when their dangerous side effects are minimal or nonexistent and even when they could substitute for riskier drugs currently on the market. For instance, he tells of the FDA keeping low-dose contraceptives off the market until 1974, although it was known in the 1960s that high-dose pills were causing harmful side effects and women in Communist China had been taking the low-dose versions without

# B.F. Skinner Scrutinized



Psychologist B.F. Skinner of Harvard has become very influential. Prison reform, pedagogy, drug addiction programs, public school reform, etc., are guided by his views.

THE PSEUDO-SCIENCE OF B.F. SKINNER shows why adopting Skinnerism is a mistake. Tibor Machan's carefully reasoned and powerfully written work demonstrates that B.F. Skinner is unscientific. But Machan does not end here. He shows that a dynamic and rational conception of science in fact supports a view of human nature and society quite the opposite of Skinner's technocratic totalitarianism.

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