

The Grown-up Boss

AMERICAN CAPITALISM: The Concept of Countervailing Power. By John Kenneth Galbraith. Boston: Houghton Mifflin Co. 217 pp. \$3.

By C. E. AYRES

THE hasty browser could easily form the impression that Professor Galbraith's new book is just another paean in praise of Things as They Are. One could scarcely dip into the book at any point without seeing that its author is for capitalism; and, as the title itself suggests, he even regards Big Business with equanimity, apparently going along with the National Association of Manufacturers in its comfortable belief that even where an industry is wholly divided between two giant firms, there is competition in the midst of them.

It is to be hoped that many who cherish sentiments such as these will buy "American Capitalism" and read it. They will be in for a surprise, and they will also be in for an education. I don't mean to suggest that either will be unpleasant. Professor Galbraith writes with unruffled good humor, and with just the kind of clarity and charm which one would expect of a former editor of *Fortune*. No one could possibly accuse J. K. Galbraith of being a carrier of "creeping Socialism." But it is equally evident that he is far too intelligent to be a mere defender of any faith.

As a matter of fact I can't think of anyone who has been more candid in his recognition of the essentially theological character of the classical doctrine of competition. In continuing to cling to the notion of American capitalism as a self-regulating competitive system, we are, as he says, risking "the insecurity of illusion." The truth is that our economy has long since outgrown the competitive "model" of the classical economists and has become a system of power in which "the ducal honors belong to the heads of General Motors, Standard Oil of New Jersey, Du Pont, and the United States Steel Corporation," while "the earls, baronets, knights, and squires fall in behind in reasonably strict accordance with the assets of their respective firms."

But this does not mean that we are headed for the Dark Ages. After all, the scale of business organization only

matches the scale of industrial technology. It is the "unseemly opulence," as Professor Galbraith calls it, of our industrial system that has enabled us to afford the social gains of American democracy, as it has also cushioned the shocks of our economic and political mistakes. All this spells large-scale operations—today even in the field of industrial research, not to mention the utilization of the results of that research.

Moreover, and this is Professor Galbraith's central point, the powers of our industrial duchies do in a very real sense balance each other. That balance is both more genuine and



—Fabian Bachrach.

John K. Galbraith—"unseemly opulence."

more significant than the abstractions of price equilibrium would suggest. Overweening power calls countervailing power into existence. "In the ultimate sense it was the power of the steel industry, not the organizing abilities of John L. Lewis and Philip Murray, that brought the United Steel Workers into being."

Thus the role of Government is to preside over a community of countervailing powers. Furthermore, the decisive consideration is not brute force, financial or political. In the end it is "administrative feasibility" that defines the boundaries of business principalities as it also sets the limits of Governmental jurisdiction. There are some decisions which cannot feasibly be decentralized. This is true of control of inflation. It is only by recognizing this fact, Professor Galbraith holds, that we can take advantage of the superior administrative feasibility of the decentralized industrial system we call capitalism.

The Flappers' Fires

AS YOU PASS BY. By Kenneth Holcomb Dunshee. New York: Hastings House. 260 pp. \$10.

By LUCIUS BEEBE

IT IS the habit of the moment, in certain rarified circles of powerful thinkers, to condemn as escapist all literature not concerned with the dreary and recurrent political, social, and economic crises which a world that is heartily bored with them seems somehow to survive from day to day. In the books of these stern intellectuals Ken Dunshee's altogether enchanting excursion into New York's fragrant yesterdays of gaslamps and Bowery Boys, and, most of all, the city's volunteer fire companies must be the very quintessence of escapism, for here is the record of a wholly satisfactory way of life uninhibited by atomic consciousness or the shrill and cheerless philosophies current in a nervous world. It is a picture of a city by no means tranquil, since the vehicle on which Mr. Dunshee's panorama is mounted is the hand-drawn fire engine, but a community, nevertheless, devoid of the wholesale frustrations of modernity and the discomforts and inconveniences of progress. By comparison with its parallel decade in the nineteenth century and those which both anticipated and followed it New York in the 1950's is a very dull metropolis indeed.

Mr. Dunshee, who edits *News from Home*, the house organ of the far-flung Home Insurance Company, is probably the ranking living expert on the history of fires and fire-fighting in New York, and it obviously came to his mind that, until the organization of the paid department in the middle Sixties, the volunteer companies of earlier times provided an admirable fabric about which might be constructed an iconography of their age.

Just as the conflagrations themselves of that more robust and combustible era were of greater importance in the affairs of the city, sometimes indeed almost terminating its commerce altogether, so the fire companies occupied a greater part of the general awareness. There were firemen's clubs and firemen's taverns, firemen's balls, firemen's politics, and

Lucius Beebe, now a resident of Virginia City, Nevada, was for more than twenty years a member of the editorial staff of the New York Herald Tribune, where his syndicated column, "This New York," was long a feature.

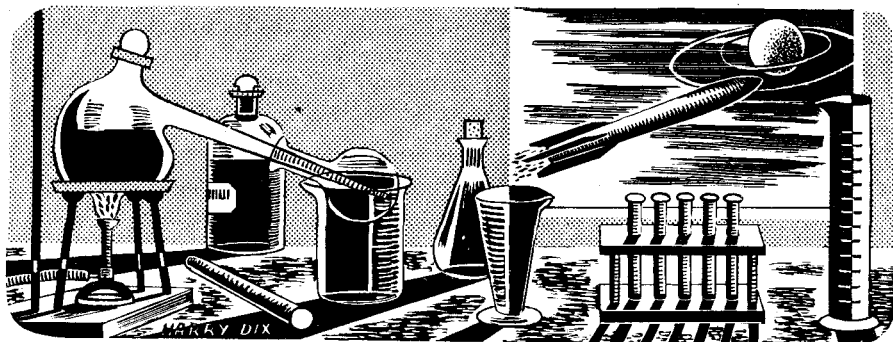
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even firemen's newspapers and other periodicals. Membership in a socially acceptable group of volunteer firemen was a social distinction comparable to later membership in one of the exalted circles of New York's cafe and professional society. The suffrage of the fire companies was a ponderable political asset as was evidenced by Boss Tweed's constant awareness of their uses.

Mr. Dunshee's chronicle concerns itself not only with the folklore of fire-fighting, its personalities such as Mose the Fire B'hoy, and Zophar Mills the archetypal fireman and New York's hero of the hose carts comparable to San Francisco's redoubtable David Scannell, but with all the city's landmarks and notables that were coeval with their flowering. It guides our own generation to such landmarks of the city as the Tea Water Pump, Peter Stuyvesant's pear tree, the Chat-ham Square horse fair, the Bunch of Grapes Tavern, and the Oswego Market in Maiden Lane, where Catherine Haven's father had the first water ever piped into a residence in the city.

"As You Pass By" is a rich and rewarding book which cannot fail to delight lovers of New York's vanished glories, a contingent that increases as the metropolis itself becomes less and less amiable.

There are but few faults to find with Dunshee's book. One of them is the dust jacket, a diffused and unsatisfactory clue to the inner contents. The gratifying pattern and nicety of detail in makeup and layout are an admirable complement to its editorial economy. There is none of the untidy extravagance of white paper which grieves the judicious in so many of the current crop of picture histories. Wherever, too, there is a pictorial recreation of a street scene in the old city a map or ground plan on the opposite page identifies the details of the drawing and the scope of the view is indicated by diverging lines which have their origin at the spot where the artist set up his retrospective easel, an imaginative touch which indicates the care with which this volume was designed.



Science. *Since the day of Benjamin Franklin, when all nature was every scientist's province, the pendulum has twice changed its course. By the early 1900's scientists were marking out ever smaller areas of nature as their own and applying themselves to the cultivation of one to the exclusion of all else. Now, at mid-century, the pendulum is well in the opposite direction, as two recent books demonstrate. Harold C. Urey, one of the nation's leading chemists, has made a major contribution to astronomy through "The Planets: Their Origin and Development" (below). V. Gordon Childe, an archeologist, uses the methods and material of his own field to illuminate anthropology and sociology in "Social Evolution" (page 35). This spring, incidentally, is notable for its new books on astronomy. Besides the Urey work there are Helen Wright's "Palomar: World's Largest Telescope" (page 52) and H. A. Rey's "The Stars" and George Gamow's "Creation of the Universe," to be reviewed soon.*

A Slow Solar Burn?

THE PLANETS: *Their Origin and Development.* By Harold C. Urey. New Haven, Conn.: Yale University Press. 245 pp. \$5.

By PETER VAN DE KAMP

THE last few decades have witnessed a revival of interest in the solar system—its origin and development. It is gratifying and significant that this problem so fascinated a distinguished chemist that he felt impelled to add a contribution to those scientific studies made—as a matter of course—by astronomers. In many astronomical problems, such as the high-temperature atmospheres and interiors of stars, chemical properties are unimportant. However, these properties are very important if one wishes to understand the origin of Earth, Moon, and the terrestrial planets, which presumably occurred at temperatures associated with chemical reactions. We can observe the chemical after-effects of the creation of the solar system; with the aid of the facts and theories of all the physical sciences we may inquire into the origin of the planets.

Urey's studies are primarily con-

cerned with the terrestrial planets—Mercury, Venus, Mars, Earth, and Moon. Their chemical and physical properties yield more information about their origin than is the case for the major or giant planets: Jupiter, Saturn, Uranus, and Neptune. After a brief survey of existing theories about the solar system the author presents a physical and chemical study of the Moon and the terrestrial planets. A chapter is devoted to the heat balance of the Earth and another to the chemical composition of the solar system. Current theories about the formation of Sun, stars, and planets from dust and gas clouds have influenced Urey's researches. Starting with an interstellar cloud of gas and dust the Sun, like other stars, was formed at a temperature well below the freezing point of water. In time the interior of the Sun became very hot, and energy production by nuclear reactions commenced. A flattened disk of gas and dust was formed surrounding the sun; this disk broke up; the greater the distance from the sun, the greater the pieces—commonly called planetesimals. The terrestrial planets, as well as the Moon, were formed from an accumulation of small and large planetesimals. In order that the planetesimals might be formed Urey introduces coagulating materials, such as water or snow. The surface features of the Moon were formed comparatively recently through the impact of planetesimals of varying sizes up to 100 kilometers.

The book contains a wealth of in-

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