

Parenti, M. (1996). *Democracy for the few*. Boston: Bedford / St. Martin's. (pp. 63 – 75).

Chapter 5

The Rise of the Corporate State

Although the decisions of government are made in the name of the entire society, they rarely benefit everyone. Some portion of the populace, frequently a majority, loses out. What is considered national policy is usually the policy of dominant groups strategically located within the political system. Standard American government textbooks seldom, if ever, refer to the class biases of public policy. The political system supposedly involves a give-and-take among "a plurality of interests," with government acting as a regulator of interest-group conflict. I will argue for a different notion: the existing political system enjoys no immunity from the way economic resources are distributed in society. Thus, the rise of corporate society brought the rise of the corporate state.

Serving Business: The Early Years

The upper-class dominance of public life so characteristic of the founding fathers' generation continued throughout the nineteenth century. As early as 1816, Thomas Jefferson complained of an "aristocracy of our monied corporations which . . . bid defiance to the laws of our country."¹ In the 1830s, the period of "Jacksonian democracy," supposedly the "era of the common man," a financial aristocracy controlled the economic life of the major northeastern cities and exercised a vast influence over the nation, while "the common man appears to have gotten very little of whatever it was that counted for much."² President Andrew Jackson's key appointments were drawn overwhelmingly from the ranks of the rich, and his policies regarding trade, finances, and the use of government lands reflected the interests of that class.³

The destitute comprised upwards of a third of the population, even more in the South and the immigrant-congested cities. Poverty and overcrowding brought the cholera and typhoid epidemics of 1832, 1837, and 1842, during which the wealthy fled the cities, while the poor stayed and died.⁴ In 1845 in New York, Baltimore, New Orleans, St. Louis, and other urban centers, the richest 1 percent owned 40 to 50 percent of the wealth, and the upper 10 percent owned 80 percent.⁵ Adolescent girls labored from six in the morning until midnight for three dollars a week. Women fainted beside their looms. Children as young as nine and ten toiled 14-hour shifts, falling asleep beside the machines they tended, suffering from malnutrition, sickness, and stunted growth. In an address before "the Mechanics and Working Classes" in 1827, a worker lamented: "We find ourselves oppressed on every hand—we labor hard in producing all the comforts of life for the enjoyment of others, while we ourselves obtain but a scanty portion."⁶ As early as 1805, when eight shoemakers were indicted in Philadelphia for "a combination and conspiracy to raise wages," employers used the courts to brand labor unions as conspiracies against property and the Constitution. Similar charges were brought against workers throughout the first half of the nineteenth century.⁷

Contrary to the view that the nation was free of class conflict, class struggles in nineteenth-century America "were as fierce as any known in the industrial world."⁸ After the sporadic uprisings and strikes of the early decades, there came the railroad strikes of the 1870s, followed by the farmers' rebellions and the industrial strikes of the 1880s and 1890s... Involving hundreds of thousands of people, these struggles were highly developed in organization and sometimes even revolutionary in tone.

Part of the struggle between labor and capital was an attempt to define the role of the state. Would it move toward a social democracy responsive to the needs of the working populace? Or would the financial and industrial class succeed in using the state as an instrument to expand their wealth and power? In fact, civil authorities intervened almost invariably on the side of the wealthy, using police, state militia, and later federal troops to crush strikes. Scores of workers were killed, hundreds wounded and maimed, thousands beaten and jailed.⁹ "The industrial barons made a

habit of calling soldiers to their assistance; and armories were erected in the principal cities as measures of convenience."¹⁰ Short of having the regular army permanently garrisoned in industrial areas, as was the desire of some owners, government officials took steps "to establish an effective antiradical National Guard."¹¹

High-ranking officials who applied force against workers often were themselves men of wealth. President Cleveland's attorney general, Richard Olney, a millionaire owner of railroad securities, used antitrust laws, mass arrests, labor spies, and federal troops against workers and their unions. From the local sheriff and magistrate to the president and Supreme Court, the forces of "law and order" were utilized to suppress unions. Statutes declared to be unworkable against the well-known monopolistic and collusive practices of business were now effectively invoked against "labor conspiracies."¹² The same federal government that remained immobilized while violence was perpetrated against abolitionists, and while slaves were imported into the United States in violation of the Constitution right until the Civil War, was able to comb the land with bands of federal marshals and troops to capture fugitive slaves and return them to their masters. The same government that could not find the constitutional means to prevent the distribution of contaminated foods and befouled water supplies could use federal troops to break strikes, shoot hundreds of workers, and slaughter thousands of Indians. The same government that had not a dollar for the indigent (poverty being a matter best left to private charity) gave 21 million acres of land and \$51 million in government bonds to the few railroad financiers.

While insisting that the free market worked for all, most businesspeople showed little inclination to deliver their own interests to the stern judgments of an untrammelled, competitive economy; instead they resorted to such things as tariffs, public subsidies, land grants, government loans, contracts, and other services provided by civil authority.

Well before the Civil War, the common law was redone to favor the financial and industrial interests at the expense of the general public. Through the law of "eminent domain" the government took land from farmers and gave it to canal and railroad companies. The idea of a fair price was replaced in the courts with the doctrine of *caveat emptor* (let the buyer beware). Contract law was used to deny compensation to injured employees and withhold back pay from workers who wished to quit undesirable jobs. Workers were killed or maimed because of inadequate safety measures, without employers being held liable. By these and other measures, the law promoted a state-supported redistribution of wealth against the weakest groups in the society.¹³ Such were the blessings of the "free market."

In the late nineteenth century, the millions of dollars collected by the government "from the consuming population, and above all from the . . . poor wage earners and farmers," constituting an enormous budget surplus, was paid out to big investors in high-premium government bonds.¹⁴ Likewise, a billion acres of land in the public domain, almost half of the present area of the United States, was given over to private hands. Matthew Josephson describes the government's endeavors to transform the common wealth into private wealth:

This benevolent government handed over to its friends or to astute first comers, . . . all those treasures of coal and oil, of copper and gold and iron, the land grants, the terminal sites, the perpetual rights of way—an act of largesse which is still one of the wonders of history. The Tariff Act of 1864 was in itself a sheltering wall of subsidies; and to aid further the new heavy industries and manufactures, an Immigration Act allowing contract labor to be imported freely was quickly enacted; a national banking system was perfected.¹⁵

Though strenuously active on behalf of business, the government remained *laissez-faire* in regard to the needs of the common people, giving little attention to poverty, unemployment, unsafe work conditions, child labor, and the spoliation of natural resources.

Despite the largely one-sided role played by government, democratic struggle persisted throughout the nineteenth century. A women's suffrage movement gathered strength. Labor unions repeatedly regrouped their shattered ranks to fight pitched battles against the industrial moguls. One important victory that came with the Civil War was the defeat of the Southern slavocracy and the abolition of slavery. The Reconstruction period that followed was one of the few times the

power of the federal government—backed by troops and the participation of poor Whites and former slaves organized into leagues and self-defense militias—was used to decree equal rights, enfranchisement for all males, popular assemblies, fairer taxes, schools for the poor, and some very limited land reform. But once the Northern capitalists put an end to Reconstruction and allied themselves with the Southern oligarchs, better to face their struggles against labor and western farmers, most of the democratic gains in the former Confederate states were rolled back, not to be regained until well into the next century—if then.¹⁶

The Not-So-Progressive Era

In the twentieth century, as in the centuries before, people of wealth looked to the central government to do for them what they could not do for themselves: repress democratic forces, limit economic competition, and in other ways bolster the process of capital accumulation. In 1900, price competition with smaller companies was vigorous enough to cut into the profits of major firms.¹⁷ Unable to regulate prices, expand profits, and free themselves from the "vexatious" reformist laws of state and local governments, big business began demanding action by the national government. As the utilities magnate Samuel Insull said, it was better to "help shape the right kind of regulation than to have the wrong kind forced upon [us]."¹⁸ During the 1900-1916 period, known as the Progressive Era, federal price and market regulations in meat packing, food and drugs, banking, timber, and mining were initiated at the insistence of the strongest companies within these industries. The overall effect was to raise profits for the larger producers, tighten their control over markets, and weed out smaller competitors. The individuals who occupied the presidency during the Progressive Era were faithful collaborators of big business. Teddy Roosevelt, for one, was hailed as a "trust-buster" because of his occasional verbal attacks against the "malefactors of great wealth," yet his major proposals reflected corporate desires. He was hostile toward unionists and reformers, derisively dubbing the latter "muckrakers," and enjoyed close relations with business magnates, inviting them into his administration. Similarly, neither William Howard Taft nor Woodrow Wilson, the other two White House occupants of that period, saw any "fundamental conflict between their political goals and those of business."¹⁹ Wilson railed against corrupt political machines and big trusts, but his campaign funds came from a few rich contributors, and he worked closely with associates of Morgan and Rockefeller, showing himself as responsive to business as any Republican. "Progressivism was not the triumph of small business over the trusts, as has often been suggested, but the victory of big businesses in achieving the rationalization of the economy that only the federal government could provide."²⁰

The period is called the Progressive Era because of the much publicized but largely ineffectual legislation to control monopolies; the Sixteenth Amendment, which allowed for a graduated income tax; the Seventeenth Amendment, which provided for the direct popular election of United States Senators; and such dubious electoral reforms as the long ballot and the nonpartisan election. By 1915, many states had passed laws limiting the length of the workday and providing workers compensation for industrial accidents. Several states had passed minimum wage laws and thirty-eight states had enacted child labor laws restricting the age children could be employed and the hours they could work. In a few industries, workers won an eight-hour day and time-and-a-half overtime pay.²¹

These enactments represented longstanding demands by American workers, in some cases going back over a century. They were wrested from a fiercely resistant owning class by democratic forces after bitter and sometimes bloody struggle. Even with these victories, the conditions of labor remained far from good. The American workers' "real wages—that is, their ability to buy back the goods and services they produced—were lower in 1914 than during the 1890s."²² Millions worked 12- and 14-hour days, usually six or seven days a week, and 2 million children, according to government figures, were still forced to work in order to supplement the family income. As is the case today, much of the reform legislation went unenforced.

World War I brought industry and government even closer. Sectors of the economy were converted to war production along lines proposed by business leaders—many of whom now

headed government agencies in charge of defense mobilization.²³ As of 1916, millions worked for wages that could not adequately feed a family. Each year 35,000 were killed on the job, mostly because of unsafe work conditions, while 700,000 suffered injury, illness, blindness, and other work-related disabilities.²⁴ The war helped quell class conflict at home by focusing people's attention on the menace of the "barbarian Huns" of Germany, who supposedly threatened Anglo-American civilization. Americans were exhorted to make sacrifices for the war effort. Strikes were now treated as seditious interference with war production. Federal troops raided and ransacked IWW (Industrial Workers of the World) headquarters and imprisoned large numbers of workers suspected of socialist sympathies.

During the postwar "Red scare" of 1919-21, executive state power continued to violate individual rights by suppressing radical publications, issuing injunctions against strikes, and violently mistreating strikers. Radical dissidents endured mass arrests, deportations, political trials, and congressional investigations. All these repressive measures were designed to suppress labor unrest and anticapitalist ideas. The public was treated to lurid stories of how the Russian Communists ("Bolsheviks") were about to invade the United States, and how they were murdering anyone in their own country who could read or write or who wore a white collar.²⁵ The capitalist leaders of the world greeted the Russian Revolution of 1917 as a nightmare come true: the workers and peasants had overthrown not only the autocratic Czar but the capitalist class that owned the factories, mineral resources, and most of the lands of the Czarist empire. As Secretary of State Robert Lansing noted, this revolution was a bad example to the common people in other nations, including the United States.²⁶ Along with England, France, and eleven other capitalist nations, the United States invaded Soviet Russia in 1917 in a bloody but unsuccessful three-year attempt to overthrow the revolutionary government.

The "Jazz Age" of the 1920s (the "roaring twenties") was supposedly a prosperous era. Stock speculations and other get-rich-quick schemes abounded. Not since the Gilded Age of the robber barons in the 1890s had the more vulgar manifestations of capitalist culture enjoyed such an uncritical reception. But the bulk of the population still suffered severe want. In 1928, Congressman Fiorello La Guardia reported on his tour of the poorer districts of New York: "I confess I was not prepared for what I actually saw. It seemed almost incredible that such conditions of poverty could really exist."²⁷ According to one study, in the late 1920s almost 60 percent of U.S. families did not receive enough income to provide for basic necessities.²⁸ On top of this, the stock market crash of 1929 signaled a major collapse of productive forces, issuing in the Great Depression.

The New Deal: Hard Times and Tough Reforms

The Great Depression of the 1930s brought an increase in hunger, destitution, and unemployment. Those lucky enough to have jobs faced a worsening of already poor working conditions:

Speed-up, reduced work hours, reduced salaries, the firing of high-salaried employees and the employing of those willing to work for much less, exposure to deteriorated and dangerous machinery and a general reduction of safety standards, thought and speech control so intense in some plants that workers never spoke except to ask or give instructions, inability to question deductions from paychecks, beatings by strikebreaking Pinkertons and thugs, and compelled acquiescence to the searches of their homes by company men looking for stolen articles.²⁹

Speaking of the depression, banker Frank Vanderlip admitted: "Capital kept too much and labor did not have enough to buy its share of things."³⁰ Such candor was not characteristic of most members of the plutocracy, who treated economic misery as if it were a natural disaster, a product of "hard times." Others blamed the depression on its victims. Millionaire Henry Ford said the crisis came because "the average man won't really do a day's work. . . . There is plenty of work to do if people would do it." A few weeks later Ford laid off 75,000 workers.³¹

With a third of the nation ill-fed, ill-clothed, and ill-housed, and at least another third just managing to get by, a torrent of strikes swept the nation, involving hundreds of thousands of

workers. Between 1936 and 1940, the newly formed Congress of Industrial Organizations (CIO) organized millions of workers and won significant gains in wages and work conditions. These victories were achieved only after protracted struggles in which many thousands went on strike, demonstrated, or occupied factories in sit-downs; thousands were locked out, fired, blacklisted, beaten, and arrested; and hundreds were wounded or killed by police, soldiers, and company thugs.³² The gains were real but they came at a high cost.

The first two terms of President Franklin D. Roosevelt's administration have been called the New Deal, an era commonly believed to have brought great transformations on behalf of "the forgotten man." Actually, the New Deal's central dedication was to business recovery rather than social reform. First came the National Recovery Administration (NRA), which set up "code authorities," usually composed of the leading corporate representatives in each industry, to restrict production and set minimum price requirements—with results that were more beneficial to big corporations than to smaller competitors.³³ In attempting to spur production, the government funneled large sums from the public treasury into the hands of the moneyed few. In nine years the Reconstruction Finance Corporation alone lent \$15 billion to big business.

The federal housing program stimulated private construction, with subsidies to construction firms and protection for mortgage bankers through the loan insurance program—all of little benefit to 'the many millions of ill-housed. Likewise, the New Deal's efforts in agriculture primarily benefited the large producers through a series of price supports and production cutbacks, while many tenant farmers and sharecroppers were evicted when federal acreage rental programs took land out of cultivation.³⁴

Faced with mass unrest, the federal government created a relief program that eased some of the privation and—more importantly from the perspective of business—limited the instances of violent protest and radicalization. But as the New Deal moved toward measures that threatened to compete with private enterprises and undermine low wage structures, business withdrew its support and became openly hostile. While infuriating Roosevelt, who saw himself as trying to rescue the capitalist system, business opposition enhanced his reformist image in the public mind.

The disparity between the New Deal's popular image and its actual accomplishments remains one of the unappreciated aspects of the Roosevelt era. To cite specifics: the Civilian Conservation Corps provided jobs at subsistence wages for 250,000 out of 15 million unemployed persons. At its peak, the Works Progress Administration (WPA) employed almost nine million people but often with work of unstable duration and wages below the already inadequate ones of private industry. Of 12 million workers who were earning less than forty cents an hour, only about a half-million were reached by the minimum wage law. The Social Security Act of 1935 covered but half the population and provided no medical insurance and no protection against illness before retirement. Similarly, old-age and unemployment insurance applied solely to those who had enjoyed sustained employment in select occupations. Implementation was left to the states, which were free to set whatever restrictive conditions they chose. Welfare programs were regressively funded through payroll deductions and sales taxes.³⁵

Government programs were markedly inadequate for the needs of the destitute, but they achieved a high visibility and did much to dilute public discontent. Once the threat of political unrest subsided, federal relief was drastically slashed, as in 1936-37, reducing many families to a destitution worse than any they had known since the 1929 crash. "Large numbers of people were put off the rolls and thrust into a labor market still glutted with unemployed. But with stability restored, the continued suffering of these millions had little political force."³⁶

The Roosevelt administration's tax policies provide another instance of the disparity between image and performance. New Deal taxation was virtually a continuation of the Hoover administration's program, with its generous loopholes for business. When taxes were increased to pay for military spending in World War II, the major burden was taken up by those of more modest means, who had never before been subjected to income taxes. "Thus, the ironic fact is that the extension of the income tax to middle- and low-income classes was the only original aspect of the New Deal tax policy."³⁷

All this is not to deny that, in response to enormous popular agitation and the threat of

widespread radicalization, the Roosevelt administration produced real democratic gains, including some long overdue social welfare legislation, a number of worthwhile conservation and public-works projects, a rural electrification program for many impoverished areas, a reduction in unemployment from 25 to 19 percent, a program to finance middle-class home buyers, and a Federal Deposit Insurance statute to protect small bank savings.

Before the 1930s, workers who were fired for organizing unions or going on strike had no legal recourse. Unions were readily destroyed by court injunctions, heavy fines, and violent repression. "In all too many cases, employers with their private police forces (or public ones that followed their directives) would arrest, beat, and murder militant workers with impunity."³⁸ The New Deal produced a series of laws to strengthen labor's ability to organize and bargain collectively. The Norris-La Guardia Act greatly limited the use of injunctions and made unenforceable the hated yellow-dog contract (which forced workers to swear they would never join a union). Other legislation banned management-controlled company unions. Probably the most important New Deal legislation was the National Labor Relations Act (1935), which set up the National Labor Relations Board (NLRB) with broad powers to oversee the certification of unions and penalize employers who violated the organizing rights of workers. Such legislation was both a response and a stimulus to labor's growing organization and militancy.³⁹

Yet the New Deal era hardly adds up to a triumph for the people. They were ready to go a lot further than Roosevelt did, and probably would have accepted a nationalized banking system, a less begrudging and more massive job program, and a national health-care system. Of the New Deal's "three Rs"—relief, recovery, and reform—it can be said that *relief* was markedly insufficient for meeting the suffering of the times and, in any case, was rather harshly curtailed after the 1936 electoral victory; *recovery* focused on business and achieved little until the advent of war spending; and *reform*, of the kind that might have ended the maldistribution and class abuses of the capitalist political economy, was attempted in only a few important ways.

In regard to school desegregation, open housing, fair employment practices, voting rights for Blacks, and anti-lynch laws, the New Deal did nothing. Blacks were excluded from jobs in the Civilian Conservation Corps, received less than their proportional share of public assistance, and under the NRA were frequently paid wages below the legal minimum.⁴⁰ By 1940, the last year of peace, unemployment and poverty continued as major problems.

The New Deal failed to solve the problem of depression, it failed to raise the impoverished, it failed to redistribute income, it failed to extend equality and generally countenanced racial discrimination and segregation. It failed generally to make business more responsible to the social welfare or to threaten business's pre-eminent political power. In this sense, the New Deal, despite the shifts in tone and spirit from the earlier decade, was profoundly conservative and continuous with the 1920s.⁴¹

Only by entering the war and *remaining thereafter on a permanent war economy* was the United States able to maintain a shaky "prosperity" and significantly lower the Depression era unemployment.

In sum, it is commonly taught that the United States government has been a neutral arbiter presiding over an American polity free of the class antagonisms that beset other societies. The truth is, our history has been marked by intense and often violent class struggles, and government has played a partisan, repressive role in these conflicts, mostly on the side of the business interests. When divisions have arisen *within* the business class, as between large and small competitors, not surprisingly, government usually has resolved matters to the satisfaction of the more powerful.

Government's growing involvement in economic affairs was not at the contrivance of meddling Washington bureaucrats, but was a response to the increasing concentration of production and wealth. Along with the many small labor conflicts, handled by local government, there developed large-scale class struggle—which had to be contained by a large state. The centralization and growth of the powers of the federal government, a process initiated by the framers of the Constitution to secure the class interests of property, continued at an accelerated pace through the nineteenth and twentieth centuries. Government provided the regulations, protections, subsidies,

and services that business could not provide for itself. The corporate society needed a corporate state.

While the populace won formal rights to participate as voters, the state with its judges, courts, police, army, and officialdom remained mostly at the disposal of the wealthy class. The law was rewritten and reinterpreted to better serve capital and limit the ability of labor to fight back. However, working people were not without resources of their own, specifically the ability to disrupt and threaten the process of capital accumulation by withholding their labor through strikes, and by engaging in other acts of protest and resistance. Such agitation wrested concessions from the owning class and the state, including rural electrification, the minimum-wage law, the eight-hour workday, the right to organize unions, Social Security, unemployment compensation, and restrictions on child labor. These victories fell far short of any all-out attack on capitalism but they represented important democratic gains for working people.

ENDNOTES

1. Andrew Lipscomb (ed.), *The Writings of Thomas Jefferson* (New York: G. P. Putnam's, 1897), vol. 15, p. 112.
2. Edward Pessen, *Riches, Class and Power Before the Civil War* (Lexington, Mass.: D.C. Heath, 1973), pp. 278 and 304.
3. Howard Zinn, *A People's History of the United States* (New York: Harper & Row, 1980), pp. 125-129 and passim.
4. *Ibid.*, p. 213.
5. Edward Pessen, *The Many Faceted Jacksonian Era* (Westport, Conn.: Greenwood Press, 1977), pp. 7-31.
6. Zinn, *A People's History*, p. 216; also Richard Boyer and Herbert Morais, *Labor's Untold Story* (New York: United Electrical, Radio and Machine Workers, 1971), p. 25 and passim; also John Spargo, *The Bitter Cry of the Children* (Chicago: Quadrangle, 1968, originally published 1906).
7. Boyer and Morais, *Labor's Untold Story*, p. 216.
8. Historian David Montgomery quoted in *ibid.*, p. 221. A comprehensive study is Philip Foner, *History of the Labor Movement in the United States*, vols. 1-6 (New York: International Publishers, 1947, 1955, 1964, 1965, 1980, 1981). While industrial struggles were waged, the slaughter of Native American Indians and the expropriation of their lands, a process begun with the earliest seventeenth-century settlements, continued full force until the final massacre of Sioux in 1890: Dee Brown, *Bury My Heart at Wounded Knee* (New York: Holt, Rinehart & Winston, 1970).
9. Foner, *History of the Labor Movement*, passim; and Boyer and Morais, *Labor's Untold Story*, passim.
10. Matthew Josephson, *The Robber Barons* (New York: Harcourt, Brace, 1934), p. 365.
11. William Preston Jr., *Aliens and Dissenters* (Cambridge, Mass.: Harvard University Press, 1963), p. 24.
12. For instance, the Sherman Antitrust Act of 1890, intended to outlaw monopolies and conspiracies in restraint of trade, was rarely used in its first dozen years except against labor unions.
13. Morton Horowitz, *The Transformation of American Law 1780-1860* (Cambridge, Mass.: Harvard University Press, 1977).
14. Josephson, *The Robber Barons*, p. 395.
15. *Ibid.*, p. 52.
16. James S. Allen, *Reconstruction: The Battle for Democracy, 1865-1876* (New York: International Publishers, 1937); Eric Foner, *Reconstruction* (New York: Harper & Row, 1988).
17. Gabriel Kolko, *The Triumph of Conservatism* (Chicago: Quadrangle, 1967), chapters 1 and 2.
18. James Weinstein, *The Corporate Ideal in the Liberal State* (Boston: Beacon Press, 1968), p. 87.
19. Kolko, *The Triumph of Conservatism*, p. 281.
20. *Ibid.*, pp. 283-284; also Frank Harris Blighton, *Woodrow Wilson and Co.* (New York: Fox Printing House, 1916).
21. Boyer and Morais, *Labor's Untold Story*, p. 180.
22. *Ibid.*, p. 181.
23. Paul Koistinen, "The 'Industrial-Military Complex' in Historical Perspective," *Journal of American History*, 56, March 1970, reprinted in Irwin Unger (ed.), *Beyond Liberalism* (Waltham, Mass.: Xerox College Publishing, 1971), pp. 228-229.
24. Boyer and Morais, *Labor's Untold Story*, p. 184 and passim.

25. Preston, *Aliens and Dissenters*, passim; Robert Murray, *Red Scare* (New York: McGraw-Hill, 1955), pp. 95-98; Christopher May, *In the Name of War* (Cambridge, Mass.: Harvard University Press, 1989).
26. William Appleman Williams, "American Intervention in Russia: 1917-1920," in David Horowitz (ed.), *Containment and Revolution* (Boston: Beacon Press, 1967), p. 38.
27. Zinn, *A People's History*, p. 376.
28. Boyer and Morais, *Labor's Untold Story*, p. 237, citing a Brookings Institution study.
29. Charles Eckert, "Shirley Temple and the House of Rockefeller," in Donald Lazare (ed.), *American Media and Mass Culture* (Berkeley: University of California Press, 1987), p. 174.
30. Boyer and Morais, *Labor's Untold Story*, p. 249. Senator Hugo Black (D-Ala.) observed in 1932: "Labor has been underpaid and capital overpaid. This is one of the chief contributing causes of die present depression. We need a return of purchasing power. You cannot starve men employed in industry and depend upon them to purchase": Rhonda Levine, *Class Struggle and the New Deal* (Lawrence: University Press of Kansas, 1988), p. 70.
31. Zinn, *A People's History*, p. 378.
32. Irving Bernstein, *Turbulent Years, A History of the American Worker 1933-1941* (Boston: Houghton Mifflin, 1970); Boyer and Morais, *Labor's Untold Story*, passim.
33. Barton Bernstein, "The New Deal," in Barton Bernstein (ed.), *Toward a New Past* (New York: Pantheon, 1963), p. 269; Levine, *Class Struggle and the New Deal*, p. 3 and chapter 4.
34. Frances Fox Piven and Richard Cloward, *Regulating the Poor* (New York: Pantheon, 1971), p. 76; also Bernstein, "The New Deal," pp. 269-270.
35. Piven and Cloward, *Regulating the Poor*, chapters 2 and 3; Paul Conkin, *The New Deal* (New York: Crowell, 1967).
36. Piven and Cloward, *Regulating the Poor*, p. 46.
37. Gabriel Kolko, *Wealth and Power in America* (New York: Praeger, 1962), p. 31; also Conkin, *The New Deal*, p. 67.
38. Michael Goldfield, "Worker Insurgency, Radical Organization, and New Deal Labor Legislation," *American Political Science Review*, 83, December 1989, p. 1258. For evidence of this repression, see Art Preis, *Labor's Giant Step* (New York: Pioneer, 1964); Roger Keeran, *The Communist Party and the Auto Workers' Union* (New York: International Publishers, 1981); Boyer and Morais, *Labor's Untold Story*.
39. Goldfield, "Worker Insurgency, Radical Organization."
40. Bernstein, "The New Deal..." pp. 278-279.
41. *Ibid.*, pp. 264-265.