From the Boardroom to the War Room: America's Corporate Liberals and FDR's Preparedness Program (review)

Tim Krywulak

Enterprise & Society, Volume 9, Number 3, September 2008, pp. 558-560 (Review)

Published by Cambridge University Press

and other characters, all pitted against the inflexible, unforgiving, egotistical President Andrew Johnson, in surprising biographical detail, without sacrificing argument or interest.

Biographies probably outsell other historical monographs. Often ignored by academics as not serious work, that attitude has changed in the last few years. Most biographies use historical context to analyze an individual. However, Epps uses biographies to analyze an historical event.

The Republican Congress wanted to insure that African-Americans gained and kept their civil and political rights, so that Southern states could not undermine them. One way was to remake Southern states into little Republics that would support racial equality. The resulting Fourteenth Amendment, of course, did nothing of the kind. It was undermined by the Southern states, by the Supreme Court, and by the increasing laxity of Republicans, thereby allowing the Southern states to pass the Black Codes, and keep its segregated character. Epps argues that despite this failure, the importance of the Fourteenth Amendment should not be diminished. It is a "kind of prophecy, or a promise to history" (270) that Americans need to listen to, try to understand, and live up to its ideals. *Democracy Reborn* is tailored to a broad audience, but maintains intellectual investigation.

Marie Basile
University of California, Davis

doi:10.1093/es/khn062

Advance Access publication July 17, 2008

Richard E. Holl. *From the Boardroom to the War Room: America's Corporate Liberals and FDR's Preparedness Program*. Rochester, NY: University of Rochester Press, 2005. x + 191 pp. ISBN 1-58046-192-1, $75.00 (cloth).

In August 1939, the U.S. military remained terribly ill equipped for a major international conflict. The average infantry soldier was armed with a 1903 Springfield rifle, field artillery depended upon 75-mm howitzers designed for the First World War, and armor consisted of about five hundred outdated tanks. U.S. industry, still almost completely geared for peacetime production, was in little position to be of much help. By December 1942, however, the once "disarmed forces" of the United States had become a military superpower and American industry the "arsenal of democracy." According to Richard E. Holl,

much of the credit for this transformation can be attributed "a small band of visionary businessmen" who "chose cooperation with the Roosevelt administration rather than joining mainstream capitalists in opposition to the New Deal" (1). Moving from the *Boardroom to the War Room*, these "corporate liberals" became the architects of the preparedness program that made a rapid move to a wartime footing possible.

Holl begins with the 1920s, when a range of "enlightened" business leaders were seeking to develop private solutions to the irregularities of the business cycle, unemployment, and other socioeconomic problems of the day. Such solutions ranged from the implementation of company-specific "corporate welfare" programs in the form of old-age pensions, unemployment insurance, and company housing to industry-wide "associationalism" in the form of improved cooperation among business, government, and labor to "counteract adverse forces in the economy" (3–4). For a time, these efforts held out the hope that the vagaries of industrial capitalism could be tamed without the need for large-scale government intervention, along with all of its supposed potential for bureaucratic inefficiency, higher taxes, and political corruption.

Those hopes ended with the onset of the Great Depression, as the sheer magnitude of the economic collapse of the 1930s quickly overwhelmed most private insurance schemes and confounded virtually all attempts to revive waning industries through better planning and cooperation. Consequently, as Holl points out, there was a growing recognition among certain business leaders that government may indeed have a larger role to play in fostering economic stability and sustaining long-term prosperity. Around the same time, the Roosevelt administration was coming to its own realization that the most radical elements of the New Deal—calling for massive government controls of private interests in business, labor, and agriculture—were both politically untenable and economically unsound. Moreover, with the rising threats of fascism in Europe and the empire of Japan in the Pacific, business expertise was needed to assist in the process of re-arming the U.S. military in an increasingly dangerous world. By mid-decade, the intersection of these trends led into the much closer collaboration between the Roosevelt administration and a key group of business leaders from major U.S. firms such as: General Motors, Sears and Roebuck, Union Pacific Railway, and General Electric.

Moving into the late 1930s and early 1940s, Holl then takes us through the alphabet soup of government agencies that were created to plan for and manage the conversion of the U.S. economy from peacetime to wartime production. Both the involvement of corporate liberals and the ideological leanings of the Roosevelt administration

ensured that this process would be guided by a succession of "temporary" organizations with "emergency powers" rather than a single "all powerful" entity, and Holl's work in helping us to sort through the contributions of the many organizations within the resulting bureaucratic maze ranks among the useful contributions of his book. One learns, for instance, how the corporate liberals on the War Resources Board (WRB) brought coherence to mobilization planning and expanded the knowledge base of the private munitions industry through its support of the Educational Orders Act of 1938. How those on the National Defense Advisory Commission (NDAC) encouraged the adoption of a shorter amortization period for investments in war plants and machinery, so as to promote profitability and increase support for a larger rearmament program among the nation's business owners. And, how those in the Office of Production Management (OPM) provided advice on procuring and allocating precious raw materials through a workable planning and priorities system that could supply "a four-million man army, a two-ocean navy, and an airforce" that was hoped to grow by "50,000 airplanes each and every year" (104).

Holl's book opens up some great questions. At the micro-level, it hints at the ways in which the intersection among business and government interests operated in practice to produce substantial gains in wartime productivity, as when the "boys from Sears" came into the OPM and increased the number of priority applications that could be processed from five hundred to twelve thousand per day. At the macro-level, it also alludes to the comparative lack of effective participation by labor, agriculture, consumers, and other interests in key agencies such as the WRB, NDAC, and OPM, thus intimating the possible origins of the U.S. "military–industrial complex." Unfortunately, such questions are not engaged as much as one might hope; indeed, if there is a shortcoming to be found in Holl's book, one could say that it is in its relative narrative detachment from these very questions. That said, Holl's focus is clearly on the evolving relationship between corporate liberals and the federal state between the early 1920s and early 1940s, which he explains quite well. And, like all good scholars, he leaves us wanting to know more.

Tim Krywulak
Royal Military College
Kingston, ON

doi:10.1093/es/khn068

Advance Access publication July 15, 2008