

The Economic Role of the State. By WILLIAM A. ORTON. (Chicago: University of Chicago Press. 1950. Pp. x, 192. \$3.00.)

This reviewer has believed for some time that a new grouping or classification of the economic functions of the state is necessary. It is now wholly unrealistic to contrast *laissez-faire* with collectivism as a means of getting at the realities of state functions. But even in recent years some writers who have known better have set up economic individualism as a strawman that is then knocked down by showing that government actually does something. Economic individualism has been mostly a protest against what the state was doing; it has been a kind of utopian theory of how the good society might be organized. However, the great issue of our time is how to escape from political tyranny; it is the issue of how to preserve some liberty, freedom, or democracy in the things that a government actually does. It is the impact of politics on economic relations, and not the reverse.

Professor Orton is not guilty of using outmoded or hypothetical classifications of state functions; but his failure, if he fails at all, is in not providing an alternative classification of governmental functions. Had he done so, his discussion would have been illuminated with greater force and clarity. Yet, the force of his work lies in its philosophical analysis of state action, and in the examination of particular issues. The broad contrast the author makes in principle is between the voluntary and the coercive, for in spirit and in principle state action carries the possibility of coercive measures in relation to the individual and the group. With the sphere of state action as wide and as chaotic as it is, some might say there are no fundamental principles any more. The author says there are such principles, and he discusses them; but he does not bring them together in such a way that they may make a powerful impact on the thought of the reader.

Broadly, the author argues that the action of the state is a search for justice; that the contours of justice are found in the Western ethical and religious tradition; that its primary divisions are, in relation to the state, distributive justice and commutative justice; that the criteria of state action must arise from an intellectual and philosophical examination of justice that is neither too abstract nor too minute; that there are dangers to morality and justice in an excessive use of coercion; and, finally, that many of our domestic issues can be resolved only upon the prior resolution of international issues, notably the restoration, so far as possible, of the open international market.

In the present situation, we tend to overvalue political activity, especially through abstractions, the vehicle of mass emotion; we cannot solve our current issues in the framework of neo-mercantilist assumptions; legitimate political coercion must arise from a respect for the Christian tradition of limitation on the state, especially through the ideas of moral or natural law. In such a framework of thought, alternative to current predominant trends, we may move toward a realization of the ideal of the free personality. "What the authority of the state finally enjoins is man's duty to himself. This is the only solution of the problem of authority within democracy" (p. 59). Professor Orton

will not say that any economic function of the state should or should not be undertaken; but he does say that such a function must be given a moral test in the specific situation. If one is not concerned with the possibility of justice in terms of the "Great Tradition," the chances are that he will not be concerned with Professor Orton. The author tells us that to argue the functions of the state in abstractions, *i.e.*, individualism versus planning, is no solution and no criterion, and certainly it is no defense of the rights of the human person.

The author of this volume is to be praised because he has broken ground for a new approach, in which we may cease to debate the abstract merits of "planning" or "the road to serfdom." But the alternative is a recurrence to fundamental principles to be found far behind any particular economic regulation of the state, existing institutions, such as the national state, or the power of any particular social group. Perhaps Professor Orton can himself state in close order the fundamental principles of political economic functions, and then offer us a new terminology, and a new classification of the functions of the state.

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Presidential Agency OWMR; The Office of War Mobilization and Reconversion.

By HERMAN MILES SOMERS. (Cambridge: Harvard University Press. 1950. Pp. xiii, 238. \$4.50.)

This is a significant and unexpectedly timely contribution to the growing list of administrative histories of war agency experience. The study has been badly needed, for the OWM-OWMR during its brief life occupied a central position at the top level of civilian authority. It was given unprecedented powers and for two years enjoyed full presidential support. It has been treated only incidentally in other accounts, and only fragmentary records of the agency are left in the National Archives. Moreover, this study is not merely descriptive; the author seeks to combine historical narrative with analysis of the problems and needs of policy coordination in the White House. He addresses himself therefore to the same general theme the President's Committee on Administrative Management in 1937 phrased as "the President needs help." What are the lessons of OWM-OWMR experience bearing on that theme?

The book opens appropriately with the background stages and problems in the evolution of central coordinating machinery for the defense and war agencies dealing with the domestic economy prior to 1943, beginning with Roosevelt's rejection of plans for the delegation of full and centralized authority over that realm in 1939. Two following chapters trace the establishment and guiding policies of OWM under its executive order and of OWMR under its statute, and their relations with other coordinating authorities. The Byrnes pattern for the office—which the author thinks it departed from later only at the cost of its effectiveness—was to avoid operations and their involvements, to insist on an inclusive jurisdiction and plenary authority, to avoid delegations to subordinates (who were therefore necessarily few), to concentrate on major issues only, and generally to keep to the role of adjudicator of disputes. Two