

due to rigid adherence to independence, a broad platform, and rejection of fusion.

Part of the problem is a stylistic choice to let the insurgents "speak for themselves." The approach minimizes distortion of their collective message. It becomes somewhat of a liability when analyzing the dynamics of party competition. Explanations for the G.L.P.'s failure are drawn almost solely from its adherents, and focus on mudslinging and bulldozing. Lause argues "context" over "partisanship," yet his own narrative indicates the latter was important. In a footnote, he relates that cultural regimentation also arrested the turn to socialism. If he means it supplemented political oppression, which appears the case, then perhaps partisanship was important after all. Cultural regimentation also featured socialization into party subcultures. Maybe entrenched partisanship was a major obstacle for the G.L.P. In the South, for example, he attributes Democratic hostility to racism. While this factor was important, partisanship is also pertinent to explaining Democratic antagonism towards threats to its powerbase. Indeed, ritualistic behavior displayed at the unity convention indicates even the G.L.P. was not entirely free from the trappings of broader traditional partisan cultures.

Lause is rightly skeptical of pronouncements by victors, and his study is a valuable corrective to earlier treatments which overemphasized fusionist tendencies. Yet, the thesis is overdrawn, and thereby skews the third party profile towards radicalism, albeit an influential faction within the G.L.P., but not necessarily its defining element. Despite its national aspirations and desire to realign the electoral system, the G.L.P. achieved neither objective, nor is its demise necessarily traceable only to overt political repression. Indeed, its rise and fall may actually have contributed to spawning more fusionist-oriented parties in the future that sought to avoid its fate. A disjuncture may have occurred in 1880, but there may be more to the case for continuity than Lause concedes.

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Kenneth Warren, *Big Steel: The First Century of the United States Steel Corporation, 1901-2001* (Pittsburgh: University of Pittsburgh Press, 2001).

Kenneth Warren has written what will probably be seen as the definitive history of US Steel, or at least of its first 100 years. This is a book that is comprehensive, detailed and, despite being heavily based on documents from US Steel

itself, critical. In addition, although focusing on US Steel, his story is placed within the larger context of the development of the American steel industry as a whole, so it will also prove to be a critical source on the industry's development in the United States as well.

The book is a straight-forward rendition of the corporation's history. While it does not focus on each plant or each product line, it is focused around "themes of technological and locational change, major shifts in corporate policy, and reaction to new patterns of demand or government pressure of all kinds" (xvii-xviii). Professor Warren was allowed access to corporate documents, and had over 12 hours of interviews with top corporate officers, some in office and some retired. He has tried to understand why the corporation took a particular developmental path at different times, and not only accounts for these changes but critically evaluates them as well.

The contradiction that Warren focuses upon is the one between potential and reality: when formed, US Steel was the largest industrial corporation in the world, and "this exceptional size was expected to confer exceptional commercial advantages" (1). Yet, this never worked out: the humongous size of the corporation never provided these advantages – at least not until a radically slimmed down version of the corporation emerged in the 1990s – and, in fact, usually worked against the corporation. US Steel basically was an amalgamation of different steel companies, each which had been developed to meet its respective needs, and until the late 1980s – late in its eighth decade! – was never rationalized to meet a strategic plan that directed the development of the new corporation. As such, it took a "supermarket" approach to steel production, trying to provide steel from one "source" to meet each and every need. This was an approach that might have worked had the corporation focused its efforts from the beginning on technological and organizational innovation, but its very size made it a continuing target of public and government attention, and the ramifications of such innovation would probably have brought it increased anti-trust pressures.

However, Warren suggests quite strongly that technological and organizational innovation was never at the heart of US Steel's evolution. The term he uses again and again to describe US Steel's efforts is "entrepreneurial failure," meaning that the corporation failed to respond quickly, much less take the lead, in addressing numerous issues in the industry.

This entrepreneurial failure occurred in a range of different areas. The company failed to address the issue of locational change: as steel markets shifted westward and then southward, the corporation remained overly focused on the Pittsburgh area. The company failed to address changes in product demand – as the economy shifted from a production-base to to a consumer-base, with the latter's demand for lighter steels, much of the corporation's capabilities

remained in heavier steels. And it especially missed key shifts in technology, such as the shift to oxygenated steel making and continuous casting production. Thus, US Steel lagged behind its competitors in many different areas – and these competitors were not only other steel companies in North America but, by the mid-1950s, included a growing number of overseas steel corporations that exported increasing amounts of steel into the US. And, interestingly, despite all the alligator tears cried by steel companies in the US over the years about the high wages the evil steelworkers' union forced them to pay, which supposedly made it so terribly difficult to compete with overseas-based companies, Warren gives this issue short shrift, noting that high productivity was more important than low wages.

The biggest failure by US Steel was in its response to “mini-mills” that emerged in North America in the late 1960s-early 1970s. Instead of having to produce their own iron to make steel, the mini-mills rely on scrap iron as the base for production. Their more recent development allowed them to better locate their mills, giving them better access to their chosen markets. Especially in the early years, the “minis” had a definite cost advantage over the older, unionized companies. But more importantly, managements were more flexible and there was less development of a hierarchy between management and labour. These differences resulted in an incredible productivity gap: “In the late 1980s, despite recent improvements, many integrated firms still required 5.5-6 man-hours [sic] per ton of steel products; the figure for mini-mills was then commonly 1.5-2 man-hours [sic]” (286). This gave mini-mills almost a \$100 per ton cost advantage.

From the late 1970s into the early 1990s, US Steel went through a tremendous down-sizing process – over 330,000 jobs were destroyed between 1973-1990 – as it tried to recreate itself, based on its most productive and modern plants. Inefficient and/or poorly located plants were closed, and excess raw material holdings were sold off. Through this process, US Steel has emerged as one of the most efficient steel-making corporations in the world today. Ironically, it was only when the corporation focused on a few things and did them well – repudiating much of its corporate history and rationale for existence – did it excel as a steel corporation. It is this story that Warren tells so very well. But he does more. The sub-text of the book, at least as I read it, is the disembowelment of much of the capitalist propaganda about the knowledge, expertise, and rational decision-making of the corporate enterprise and particularly corporate management. And although Warren focuses on the outcomes of policy, rather than the processes by which it develops, the critique is devastating: despite having the resources to procure the very best expertise and knowledge to guide their company, US Steel officers again and again failed to meet the challenge of their competitors. For many years, its huge size hid its

limitations, but the restructuring of the last third of the 20th century illuminated the traditional weaknesses of US Steel for all to see.

That being said about the contributions of this book – and there are many – this still remains a deeply dissatisfying book to this reviewer. Warren not only fails to discuss the steelworkers, whose knowledge and labour-power contribute so strongly to the successes the corporation did achieve, but he all-but-ignores corporate policy toward labour. It's like managerial decisions concerning organizational development are all that count in the making of steel.

This management-focus fails, of course, to account for the efforts of workers to control the workplace, reduce management discretion, and end abuse by foremen, processes that led toward organizing and unionization. The 1919 steel strike is covered in less than two pages. But as unsatisfactory as that is, the account of the 1937 decision by US Steel Chairman Myron Taylor to accept the presence of and sign a contract with the Steel Workers Organizing Committee is even worse. (SWOC was the organizational predecessor to the United Steelworkers of America.) The single most powerful corporation in the world at the time was forced to accept unionization by some of its workforce – SWOC only could bargain for its members as a result of the 1937 contracts, not all production workers – and this gets less than four pages of discussion! And some of that is simply wrong!

To me, this is one of the key developments in the corporation's history. US Steel had been virulently anti-union from its earliest days, and had not signed a collective bargaining agreement after 1909. Management had worked hard to keep workers separated by ethnic, and then racial, discrimination in job placement. It undoubtedly opposed the early New Deal programs of US President Franklin Roosevelt, but established Employee Representation Plans in 1933, when after the National Industrial Recovery Act became law it was hoped that this would preclude unionization. It made massive investment in espionage and spying, and union advocates were dismissed when discovered. The Corporation opposed the National Labor Relations Act in 1935, and Roosevelt's re-election efforts in 1936. In short, the Corporation was not about to cede any management prerogative to labour without a struggle.

And yet, Myron Taylor decided to accept SWOC without even a strike. Warren conjures up the threat of a "damaging strike" that supposedly was to take place on April, 1937 to explain part of the reason for the acceptance of the union, but provides no evidence of this possible strike: the historical evidence for such a strike remains well hidden, as the steelworker organizing drive was far less successful than SWOC's propaganda at the time claimed. Yes, orders for the corporation were improving, and a strike could have hurt this recovery from the Depression, but there is no evidence that SWOC was planning to strike, and there had to be serious discussion within top-level management over labour-related issues – but one gets no hint of this from Warren.

Other things are missing, too. There's no mention of the impact of the autoworkers' successful sit-downs in Flint, Michigan against General Motors in late 1936-early 1937 on Taylor's thinking. There is no awareness by Warren of the organizing going on in the mills that preceded founding of SWOC in June, 1936, and how steelworkers had organized particularly in the Chicago area but around Pittsburgh and Youngstown as well. There was no mention of the corporation's efforts to buy off steelworkers with a small raise in November, 1936, after it had refused such in the preceding September. Nor was there any mention of the reports going to John Stephens, head of Industrial Relations, from African-American newspaper entrepreneur Claude Barnett and his researchers in Gary, Indiana: Barnett's researchers were finding that African-American steelworkers in Gary were terribly aware of the racial discrimination in the mills, blamed corporate management for such discrimination, and were overwhelmingly unwilling to scab against a CIO strike on behalf of the corporation.

In short, Warren ignores a key factor in the development of the corporation: the unionization of its workforce. Management was forced to accept collective bargaining by some of its workforce, and managerial domination in the workplace began being attenuated. Major strikes in 1946 and especially 1959 affected corporate productivity and management rule. The union – despite its many limitations – both improved things for production workers, and limited management discretion in closing plants or restructuring. But to Warren, this is of no consequence.

And yet, failure on the issue of labour and labour relations is only an indication of the limitation of the overall study: Warren fails to understand the social power of US Steel – this was no ordinary corporation, at least until the early 1970s: it was a power within the US social order and, accordingly, the world. It was the dominant corporation in the industry that was key to economic development in North America, Europe, Japan and the Soviet Union. It is this larger sense that is missing from Warren's details, and his presentation excludes any sense of the larger drama in which upper management was involved.

In short, this is a book that I expect will be the standard on its subject for many years to come. Warren provides considerable data, strong arguments and critical evaluation of his subject. If one wants an economic and technology-focused study, it will be hard to surpass this. But there is so much more to the corporate history that is missing – and it is this missing larger sense that keeps this study from being a classic.

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