court or agency rulings have been based on ideology, or sometimes fantasy, rather than on the actual performances of the accused corporations or on the consequences of those performances. He examines the theories and the proceedings involved in cases of alleged price discriminations, price fixing, intercorporate agreements, and mergers; and in his analyses of some of the more celebrated cases—such as the antitrust actions against the Standard Oil Company, the tobacco and steel monopolies, the aluminum and shoe machinery monopolies—he ventures some rather startling revisions of accepted economic history and theory. These revisions not only challenge the assumed justifications for antitrust prosecutions, but also suggest that the whole trust-busting phenomenon may be a bigger hoax than has ever been suspected or imagined. At any rate, as Armentano shows, the effect has been toward making genuine competition well nigh impossible. The cries of "injustice" and "unfairness" have been based on emotion rather than economies and the prosecutions have been more often concerned with the fate of a particular competitor than with the interests of the consumer. All in all, Dr. Armentano succeeds in demonstrating that a competitive market system would work much better without the antitrust laws.

One finds in this book a direct repudiation of the conventional assumptions of professional economists—and also of certain supreme court justices whose rulings in some antitrust cases have rivaled in absurdity some of their decisions in cases spawned by the "civil rights" legislation. Dr. Armentano argues that no plausible economic theory nor any body of empirical evidence exists that would support such assumptions. This he demonstrates in his analyses of the important antitrust laws, of the philosophic rationalization of the assumed necessity for government interventions, and of prevalent theories of price-fixing and price-discriminations, in addition to his highly revelatory histories of the more important court cases.

In short, Dr. Armentano's book is a valuable contribution to the developing body of what might be called "revisionist economics." It is to be hoped that his analytically trenchant criticisms of the official American theories and policies of trust-busting will encourage some serious rethinking on the subject.

Reviewed by Tommy W. Rogers

Labor's Coercive Power


The power of labor unions is excessive, we are told by Emerson P. Schmidt, former chief economist for the United States Chamber of Commerce, who cites instance after instance to support his assertion. On June 7, 1971, for example, the city of New York was brought to its knees by the Municipal Employees Union. First, the striking bridge-tenders rendered twenty-seven of the city's twenty-nine moveable bridges impassible to motorists. They stripped the mechanisms of the bridges of critical parts to prevent others from reopening them. As a result, hundreds of thousands of motor vehicles were backed up for miles and miles on the hottest day of the year. (The author provides photographic evidence of this extraordinary paralysis of traffic.)

Next, the union closed down most of the city's sewage-treatment plants, which had been chemically processing 1.3 billion gallons of raw sewage daily. The strike thus allowed the raw sewage to seep into the already polluted East and Hudson Rivers. Meanwhile, the firemen at the municipal incinerators, the operating force of the water-supply system, the board-of-education employees, and the park-department's foremen and gardeners had also walked off their jobs. The defiant attitude of the union
The main source of the excessive and sometimes unlawful power of the labor unions, according to Mr. Schmidt, is force—raw force. Violence, he asserts, constitutes "an integral part of collective bargaining." The reason for violence is that a strike has small chance of success where an employer is able to hire other workers to replace the strikers; hence the harassments and intimidations aimed at preventing or discouraging the employment of "scabs" and "finks," that is, strikebreakers. By way of illustration Mr. Schmidt quotes from a history of The Kohler Strike by professor Sylvester Petro of the law faculty of New York University:

A nonstriker's telephone might ring at intervals all night. In the morning his car's paint might be ruined by acid, or sugar in the gasoline tank might put the engine out of commission. . . .

If intimidation and violence are major sources of the excessive power of the labor unions, a major result of their use of the power is inflation. The unions help to create inflation by forcing wage increases above the levels justified by increases in productivity; a rise in costs and ultimately in prices is the inevitable result. Another consequence of inordinate power is economic waste and inefficiency. Strikes send shock waves throughout the economy; when production grinds to a halt in one industry, many other industries are soon affected and the public always suffers. We have seen how the traffic strangulation in greater New York brought about by the bridge tenders' strike kept thousands of persons from performing their daily work. Still another effect of union power is the reduced production that results from featherbedding practices and "spread the work" schemes. A familiar example is the union-imposed requirement that all railroad train crews include a fireman, even though steam locomotives have long been obsolete. After citing a good many more adverse effects on the economy, Schmidt concludes that: "Trade unionism, as it presently operates in the United States, has made workers as a whole poorer they would otherwise have been."

In his final chapter Schmidt offers some proposals for curbing the abuses of union power. He favors the repeal of much of the pro-union legislation enacted in the era of the Great Depression, including the Norris-LaGuardia Act of 1932 and the Wagner Act of 1935. He calls upon every layer of government to "steel itself in a maximum effort and determination to stamp out all private use of force and violence". He does not, however, wish to see labor unions abolished. In principle, he believes, collective bargaining might be made to serve an economically useful purpose; but until the present power of the unions is curtailed—until the blackjacks are taken away from them—collective bargaining will remain, as he puts it, "collective clobbering."

Reviewed by Mark Peterson

The Art of Stephen Crane


I

Stephen Crane is surely one of the most enigmatic figures in American letters. Far from seeming the withdrawn and ego-