

THE SHORE DIMLY SEEN. By Ellis Gibbs Arnall. Philadelphia and New York: J. B. Lippincott Co., 1946. Pp. 312. \$3.00.

THIS colorful account of Mr. Arnall's achievements as a statesman in the South (his South of Spanish moss and shimmering pines, but also of eroded acres and unpainted shanties) was inadvertently included in a list of "Good Novels for Leisure Hours" appearing in a recent issue of the *Princeton Alumni Weekly*. It is indeed entertaining enough to please those who seek literary diversion when *procul negotiis*. But there is also pabulum here for thoughtful Americans in their more sober moments, for this book seeks to outline a program of public policy for the nation today. The charm of manner and statesmanlike leadership which are united in the personality of Georgia's ex-Governor do not disappear in the process of transmutation to the printed page.

Although Mr. Arnall's discussion of the Democratic Party¹ will not displease any of its members, and although he himself is one of the outstanding men in public life who add lustre to that Party, he prefers to describe himself as a "democrat, with a little 'd,'"² rather than as a "liberal." He emphasizes that it was because of President Roosevelt's request that the Georgia delegation supported Henry Wallace at the 1944 Democratic Convention.³

The author's central thesis is "that nowhere in all the world can any man be free until everywhere all men are free."⁴ Proclaiming that "Jefferson is at once the best that the South can offer and its most typical," Mr. Arnall stresses the importance of education as essential to "popular control over public affairs."⁵ In keeping with this philosophy is the record of his services to the educational system of Georgia, a modern counterpart to Jefferson's contribution to the "diffusion of knowledge" in Virginia.

Disapproving "private management of the public business, or public management of private business,"⁶ the author develops in considerable detail his views regarding monopolistic practices and other abuses on the part of corporate management. He describes at length the structure of present-day "private government," particularly in the railroad industry. These aberrations from the traditional American system of free enterprise he regards as having the effect of hampering, for the benefit of Eastern interests, the industrial growth of the South and the West.⁷ Mr. Arnall illus-

1. Pp. 295-302.

2. P. 89.

3. P. 293.

4. P. 28.

5. Pp. 17, 50.

6. P. 212.

7. Pp. 116, 143, 157-9.

trates this proposition with an interesting discussion of freight rates, the private rate-making machinery of the railroads, and the antitrust suit which he argued before the Supreme Court of the United States,⁸ convincing that august tribunal to exercise its original jurisdiction under the Federal Constitution and receive the case. The State of Georgia's complaint charged a combination and conspiracy by the railroads, in restraint of trade, which had resulted in the establishment of non-competitive freight rates detrimental to the Georgia economy.⁹

Not only vigorous enforcement of existing antitrust laws but stricter remedies in addition are needed, in the author's opinion, to curb monopolies effectively. A corporation's second offense against the antitrust laws "should be penalized by cancellation of its charter and enforced liquidation. . . . Where corporations continue to evade the laws, it is evidence that they have fallen from the hands of their stockholders and into the control of a power-crazed managerial bureaucracy. The unfortunate stockholders . . . would be much better off if their investments were liquidated in an orderly manner and they were permitted to reinvest their savings in some business that could compete in an America of free enterprise."¹⁰

Mr. Arnall is undoubtedly correct in saying that the present penalties under the antitrust laws are ridiculously small. No matter how many millions of dollars may have been gained by huge corporations through violations of law, the maximum fine for each offense is \$5,000. The author is not altogether accurate, however, in saying that "The fines in the fertilizer case, an instance involving a commodity essential to the economy of thirty million Americans, reached the staggering total of \$35,000."¹¹ That figure is the amount of fines imposed in the cases relating to fertilizer nitrogen. If the amount of fines imposed upon manufacturers of mixed fertilizer is included, the total is approximately a quarter of a million dollars higher. But this difference does not weaken the soundness of the general proposition maintained by the author that the present penalties for violations of the antitrust laws are inadequate.

Mr. Arnall is convinced that unless monopoly is speedily uprooted, the alternative will be bureaucracy, either industrial or political. "As for which of these is worse, it is a matter of preference; either is bitter to the taste of free men."¹² The author distrusts resort to governmental controls; if effective, such action "vests the direction of vast economic empires in individuals who are neither the choice of the investors in those enterprises nor of the general public. If it is ineffective, as the Interstate Commerce Commission has become, it lulls the public into a false sense of security; the sheep trust

8. Pp. 167-85.

9. *Georgia v. Pennsylvania R. R.*, 324 U. S. 439 (1945).

10. Pp. 200-1.

11. P. 201.

12. P. 196.

the watchdog long after he has lost his teeth and even when he fraternizes with the wolves." ¹³

Special exemptions from the antitrust laws likewise represent an undesirable trend. Thus Georgia's former Governor says of the Webb-Pomerene Act, which allows certain combinations in export trade: "As an act of aggressive political immorality it is almost without precedent in this Nation. Its basic assumption was that, although capitalism, free enterprise and democratic processes linger anomalously in this country, they had disappeared elsewhere in the world forever because they were antiquated, outmoded, worthless and proven unsound." ¹⁴ He likewise vigorously denounces the so-called Bulwinkle bill, proposing to exempt agreements between transportation companies from the antitrust laws, as a measure which "would fasten a transportation monopoly upon the American people and permanently establish the principal means by which freight rate discrimination against the South and the West has been made possible." ¹⁵

In the field of foreign affairs Georgia's ex-Governor favors "the traditional American policy of support to all nations maintaining a libertarian government." ¹⁶ Skeptical of the effectiveness of "career diplomats," he prefers "men identified with popular government" who are "exponents of the American point of view." ¹⁷ He also shares with the framers of the Second Amendment to the Federal Constitution "the dread that Americans have felt at the possible ascendancy in public affairs of the professional military." ¹⁸ Stressing, as Jefferson did, "the supremacy of the civil over the military authority" and the undesirability of "a standing army . . . which may overawe the public sentiment," Mr. Arnall insists that in any event "the turning of America, and of other countries at the same time, into armed camps will not preserve peace." ¹⁹ "It is impossible for America to adopt a 'world policy.' America is not the world," says the author. "We cannot enforce our ideas, our philosophy, our way of life, upon other men in other nations. But we can adopt a foreign policy that will enable us to live with other nations." ²⁰

Not inappropriate, perhaps, is the disdainful unconcern with which a typographical error ascribes to the Chicago newspaper-owner the appellation "McCormack." ²¹ The multiplicity of slurring references to Boston ²² seems to evince a studied strategy of counter-attack against present-day carpetbaggers. Apparently Mr. Arnall would have the reader infer that the

13. P. 200.

14. P. 197.

15. P. 185.

16. P. 280.

17. P. 276.

18. P. 275.

19. P. 274.

20. P. 146.

21. Pp. 219, 298.

22. Pp. 15, 83, 89, 92, 99, 106, 109, 112, 116, 299.

plight of the colored population in the South, whose problem is described as primarily one of economics and not likely to be solved by illogical irritants such as FEPC,²³ is mild in comparison with that of the racial minorities in Boston. The book is written in a readable style; its title is derived from the second stanza of the national anthem.

EDWARD DUMBAULD†

TRANSPORTATION UNDER TWO MASTERS. By Charles D. Drayton. Washington: National Law Book Company, 1946. Pp. 210. \$3.00.

THE conflict between those who think that the nation's transportation system is being run for the benefit of the public, and those who believe that the public is being "wrung" for the benefit of the transportation system, has again broken out into the open—and on different fronts. On the judicial front, there are at least two major battles looming: one initiated by the State of Georgia in protest over rate discriminations suffered by southern industry; the other, a "big stick" attack by the Department of Justice against the use of the "conferences" of competing railroads as a device for dealing with problems of mutual interest. On the legislative front, the flanking attack of the Bulwinkle bill would seek to free the railroads from the clutches of the Sherman Act, and—not incidentally—render impotent the forces now attacking in the courts. The battle has also been taken directly to the public. Under the prodding and with the support of Thurman Arnold, Warne C. Wiprud has, in a recent book, *Justice in Transportation*,¹ set off a powerful blast in the hope of jarring the public loose from the tight grip of railroad monopoly. Now comes Charles D. Drayton to the defense, in *Transportation Under Two Masters*, with a denial of the monopoly allegation and a plea that the Justice Department cease poaching on Interstate Commerce Commission domain.

On the purely quantitative level, this book is more heavily weighted with vituperations than with insights. The chief targets, Messrs. Arnold and Wiprud, are but the conduits for an attack upon that school of thought which regards well-measured doses of the Sherman Act as the proper medicine for preventing a hardening of the arteries of transportation. There is no basis in legal authority, it is argued, for the application of the Sherman Act to the rate-making "conferences" of competing railroads; despite the "conferences" of competitors, the Interstate Commerce Commission nevertheless has the final say over rate-making, thus insuring maximum public protection. Mr. Drayton believes that placing control of the nation's transportation agencies "under two masters"—the Interstate Commerce Com-

23. P. 101.

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1. Ziff-Davis, 1945.