

## REVIEWS

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WHITE COLLAR. By Charles Wright Mills. New York: Oxford University Press, 1951. Pp. xxx, 378. \$5.00.

THE problem of the "salaried employee" was discovered in Germany during the epoch of struggle and inflation at the end of World War I. In turn, the white collar problem was a facet of the larger question of the fate of the entire middle class, not only in Germany, but anywhere in modern industrial society.

Professor Mills, an able member of the department of sociology at Columbia, has written a full-scale treatment of the destiny of certain groups in American society. He knows the European literature thoroughly, and has gone to the field as well as the library seeking data. In 1945 Mills studied the stratification and power structure of six middle-sized cities in the Mid-West and New England, and for some time was involved in an intensive investigation of a Mid-Western city of 60,000 people. He has done first hand research on trade unions and upon other social organizations.

Above all Professor Mills has approached his problem with an acute mind and powerful emotional drive. His mood is one of restrained indignation at much of what is happening in America, and this gives some acidity to his final report.

A few facts set the stage. Eighty years ago there were three-quarters of a million employees in the American labor force; by 1940 there were over twelve and a half million. In that period the old middle-class increased 135 per cent; wage earners, 255 per cent; the new middle class, 1600 per cent. The new middle class is made up of several strata: managers, salaried professionals, salespeople, office workers. The old middle class, of course, is composed of farmers, businessmen and free professionals. The biggest shift in the composition of the new group is the office workers, who were 12% of the class in 1870, and 40% in 1940.

Such sweeping transformations in the division of labor in American industrial life cannot fail to have profound effects upon the future of the country, and it is the merit of Professor Mills that he has met all the issues with knowledge, imagination and courage. He has important and pungent things to say about what has been happening to the old professions, like medicine, law and teaching. In the chapter on "Brains, Inc." Mills writes with no little controlled passion of the intellectuals of America. There are keen chapters on "The Great Salesroom" and "The Enormous File," which tell about salesmen and office employees. Finally, there are chapters which deal with the new "styles of life" and with the current and prospective repercussions on politics.

Four theories of the political role of the middle class are evaluated:

"1. The new middle class . . . is slated to be the next ruling class . . . The next epoch will be theirs.

2. The new middle classes will continue to grow in numbers and power, and although they will not become a force that will rise to independent power, they will be a major force for stability in the general balance of the different classes. . .

3. Members of the new middle class, by their social character and political outlook, are really bourgeoisie and they will remain that . . . They will form as in Nazi Germany, prime human materials for conservative, for reactionary, and even for fascist, movements. . .

4. The new middle class will follow the classic Marxian Scheme: in due course, it will become homogeneous in all important respects with the proletariat and will come over to their socialist policy."<sup>1</sup>

Professor Mills comes to the conclusion that the new middle classes are members of a "rearguard":

"The political question of the new middle classes is, Of what bloc or movement will they be most likely to stay at the tail? And the answer is, The bloc or movement that most obviously seems to be winning.

"They will not go politically 'proletarian,' if for no other reason than the absence of any political proletariat in America. They will not go politically 'middle class,' if for no other reason than the absence of middle-class policy or formation, and because they will not be economically able to maintain such a status. They will not go political as an independent bloc or party, if for no other reason than their lack of either unity or opportunity. They will not become a political balance-wheel, if for no other reason than their lack of will to choose one bloc or another before it has already shown itself in the ascendant; they will 'choose' only after their 'choice' has won."<sup>2</sup>

It is fair to say that the author is at his best when he is interpreting comparatively homogeneous groups, like clerks and professors. He does, however, construe many developments in a nostalgic manner that suggests too much reliance upon old sentiments. A random example: He notes the rise of "peace of mind" books in the last twenty years and thinks that an ideology of "resignation" is appearing. The same facts could be interpreted in another key. We might say that many Americans are engaged in re-defining their goals to fit a more interdependent society, cutting down their private ambition for material success, and evolving more varied conceptions of what they can get out of life.

One gets the impression that Professor Mills wants to write about American politics as a whole, and that he has restrained himself with difficulty from uttering a number of adverse judgments in the present book. This gives

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1. Pp. 290-1.

2. P. 353.

a snappish tone to the current work at times, as when Mills speaks of the United States as a "bureaucratized society of privatized men." When Professor Mills does write such a general estimate of American politics, I hope that he will look more closely at the elements of agreement in the ideology of this country, and that he will take a more exploratory and less nostalgic attitude toward new decision making processes. One tangible demand is for "income security," in the sense of calling upon the government, if necessary, to prevent sudden and large curtailments of income. Price maintenance for the farmers and social security for the workers are positive and not merely negative conceptions. They apply new institutional tests to the functioning of our great industrial society. Another major demand is for the maintenance of high levels of employment and production, and for a rising standard of living. These demands are in varying degrees articulate and effective; and they express themselves through various institutions of consensus (like pressure groups) which Professor Mills tends to judge as selfish, much as political parties were spoken of by the intellectuals of the early years of our Union.

I suspect, too, that Professor Mills needs to experiment with more pluralistic ways of describing the class structure of society. His present use of terms keeps him perpetually undecided about whether he is talking about a middle "class" or middle "classes," and in this wavering usage is reflected a mind alert enough to need a new system of value-institution analysis, and too scholarly to abandon the old before he has found it.

Whatever the reservations, no one who wants to understand America will fail to study this admirable volume.

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DIRECT PLACEMENT OF CORPORATE SECURITIES. By E. Raymond Corey. Boston: Harvard Graduate School of Business Administration, 1951. Pp. x, 233. \$3.50.

THE emergence of direct financing as an important method of obtaining capital funds has been largely a development of the past two decades. It is surprising that there has been so little published discussion. Professor Corey seeks to fill this gap in our literature.

He defines direct placement as "the procedure in which the corporate issuer and the institutional investor deal directly with each other, with or without the aid of an intermediary, in establishing the terms of a security issue, and in which title to the security, or securities, is taken directly by the final holder." It might, more meaningfully, be defined as the method of obtaining funds without resorting to a public offering of securities. Such a definition would place the direct placement in its proper perspective as the other side of the

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