get any of the profits the corporation makes it doesn't have the old 'profit uber alles' obsession." In fact, the technocrats seem to be worried about security — the corporation's security and its own, which is what would seem to be aiding this Galbraithian evolution to a new freedom. As Robert Fitch puts the Galbraith thesis:

"Now that the technostructure has taken charge and eliminated the profit motive as the single goal of corporative enterprise, it's possible to relax and enjoy 'industrialism.' The corporations no longer compete against each other: they divide the market and allow everyone to prosper. Nor do they try to hold workers' wages down. Instead, they give the workers a reasonable share of what they want and pass on the increased bill to the consumer. This ends the anarchy of the system. The corporations can plan their production schedules with the knowledge that prices will remain constant. And the workers no longer have to fear layoffs. The market is replaced by 'planning.'"

To put a Galbraithian twist to Engels' famous conclusion to "Socialism, Utopian and Scientific": We leave the realm of competitive necessity and enter the kingdom of monopolistic "freedom."

FACTS ABOUT CAPITALISM

It would seem that neither the corporation nor the unions have received the glad tidings of Galbraith's "technostructure" and its impetus toward a new freedom. In 1967 the number of strikes in industry was the highest in 14 years. Furthermore, the new "planning" and the so-called "death" of the market do not square with the facts. It would seem that there is something wrong with "planning" when there exists a persistent balance of payments deficit side by side with the export of capital during periods of high unemployment. Or those go-go mutual funds and the great speculative booms on the stock exchanges.

But there are more facts about capitalism that do not square with Professor Galbraith's views. Capital is still concentrated into the hands of a relatively few owners. The same small groups of wealthy businessmen run the huge corporations today as in the past. In 1965 the House Judiciary Committee published a study of 74 important industrial-commercial companies which showed that within this handful of firms, 1480 officers and directors held a total of 4428 positions. The report stated that interlocking directorates are just as prevalent today as they were in 1914 when the Clayton Act to prohibit interlocking directorates was passed. In 1966 Fortune magazine reported that 150 of the largest corporations were in the hands of an individual or members of a single family. The evidence is abundant to prove that control is still vested in the hands of the owners and not in the hands of the technocrats, the engineers, the scientists and the rest of what Galbraith calls the "technostructure."

Galbraith claims that the victory of the technostructure over the capitalists was due to the fact that in the 20th century information is scarcer and more important than capital. But the members of the technostructure are nowhere near as scarce as are the capitalists. Far from constituting a ruling class of any sort the technocrats are really members of the working class. A classic illustration is the aerospace industry which employs over half of all U.S. engineers and scientists. The rapid changes in technology and the intense competition for government contracts are converting the engineers and physicists into a sort of lumpenproletariat rather than a "corporate ruling class." As Stanley Hawkins, training coordinator at Lockheed Missile & Space Co. put it: "the problem of the unemployable engineer is approaching with frightening rapidity." The real ruling class is still real.

THE GAME IS THE SAME

What of the Galbraith claim that increased costs are passed on to the consumer and that the worker gets a reasonable share? Another piece of Galbraithian confusion. For who are the consumers under capitalism? Who is it that do the bulk of the buying? Certainly not the workers for wages are limited, on the average, to the necessities of life and the entire total of what makes up the standard of living of the working class is but a small part of the gross national product. The recent copper strike furnishes a fine illustration. The housewives and the mechanics are not the great purchasers of copper with all of the copper kitchenware and tools. The huge consumers of copper are firms such as General Electric, A.T. & T. Westinghouse, etc. If Anaconda and other copper giants were to try to get for its commodity prices consistent with its wishes the real consumers of copper would soon find substitutes. Despite Professor Galbraith, the *real* consumers under capitalism are the capitalists who consume the object of capitalist production: profits. The workers consume the subistance that is needed to keep them in working efficiency — like so many oil-consuming machines.

The notion of "corporate planning" falls on its face when it dreams of replacing the market. Capitalism remain capitalism, the "conventional wisdom." The New Industrial State is fiction insofar as its analysis of the present social system is concerned. Both private capitalism and state capitalism have the same economic characteristics of wage labor and capital and the market: commodities produced for sale with a view to profit.

But the gigantic socialized production of today and the shrunken world do emphasize the public (state capitalism) over the private sector and do point to the possibility and the practicality of socialism. Professor Galbraith, a "practical" man who looks at modern capitalism and sees what isn't there argues that socialism is impractical, because of the technical complexity of planning and associated operations. An elective body can't run an economy. Monopoly capitalism is the only feasible system that can work.

Certainly the teaching of the Marxian analysis of capitalism in the schools of capitalism would be impractical — for the future of capitalism. But beyond this, the only practical solution for the ailments of capitalism that are tearing Professor Galbraith's "best of all possible worlds" to shreds is, indeed, the remedy of socialism: common ownership of the world by all who inhabit it. RAB

P.S. Since completing this article, my June 15th issue of Fortune arrived. Here are three self-explanatory quotes worthy of Galbraith's special attention.

1. "In 1967 economic analysts stopped hailing the demise of the business cycle —the corpse moved noticeably. After five year-to-year increases in a row, the earnings of the 500 largest industrial corporation dipped 2.6 per cent." "What Happened to Profits."

2. "...bonuses have lagged behind salaries (which have barely kept up with the cost of living in the last ten years)...But the total compensation package is being refined as an instrument to lock him to the company with 'golden handcuffs.'" "An Expanding Executive Pay Package."

3. "Fortune assembled data on a random sample of one hundred companies in the 500 directory to determine the correlation, if any, between the growth rate and the size of the compensation package of the highest paid officer in each company. The most striking result was negative: the lack of any meaningful correlation between the growth rate and the size of the compensation package." "Performance Doesn't Pay."

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