

Benjamin V. Cohen: Architect of the New Deal. *By William Lasser.* New Haven: Yale University Press, 2002. xvi + 385 pp. Index, notes, illustrations, photographs. Cloth, \$35.00. ISBN 0-300-08879-5.

Reviewed by Jason Scott Smith

The subtitle of William Lasser's biography of New Dealer Benjamin Cohen is, at first glance, misleading: Cohen was not the sole "architect of the New Deal." As Lasser points out, though, Cohen made several impressive contributions during Franklin Roosevelt's presidency. The most important of these accomplishments were the crafting of the Securities Act of 1933, the Securities and Exchange Act of 1934, and the Public Utility Holding Company Act of 1935. If Cohen's public life had ended after he drafted these landmark pieces of legislation, it would still merit study. Cohen's career encompassed a wider range of activities, however. In addition to playing a key role in the reform of the nation's financial markets, he served FDR on a number of fronts. Among other accomplishments, Cohen wrote the text of fireside chats and planned the swap of American destroyers for British military bases in 1940, helping to pull the United States away from a policy of neutrality. After World War II, Cohen championed the existence of the United Nations and was a strong supporter of the nation of Israel.

Throughout this excellent biography, published under the auspices of the Century Foundation (formerly the Twentieth Century Fund, where Cohen himself was a trustee from 1948 to 1983), Lasser draws upon his command of the available sources relating to Cohen's life and work. This is no small achievement, as Cohen rarely saved his correspondence and did not keep a diary. As a result, Lasser is forced to measure Cohen's impact on the New Deal through examining the laws he wrote, the memos he prepared, the opinions and arguments he drafted, and the occasional interview he granted. Born in Muncie, Indiana, in 1894, to an upper-middle-class family, Cohen was not a typical product of the city that sociologists Robert and Helen Lynd later made famous as "Middletown." A Jew, Cohen was educated at the University of Chicago and studied with Felix Frankfurter at Harvard Law School. He subsequently took his first job with the federal government in 1917, working for the United States Shipping Board. After

World War I, he joined members of the American Jewish Congress in traveling to the Paris Peace Conference to advocate the founding of a Jewish state in Palestine. For Cohen, a secular Jew, Zionism “was less a cause than an assignment” (p. 30). Cohen spent the 1920s working as a lawyer on Wall Street and became “a brash, inexperienced, and overconfident speculator” in the stock market, Lasser writes (p. 49). Although Cohen lost about \$1.5 million (mainly through investments in Chrysler stock) in the stock-market crash of 1929, nearly going bankrupt, this experience did not make him a supporter of radical reforms in the securities industry.

Indeed, Lasser takes issue with those who have argued that Cohen was an adherent of the liberalism associated with Supreme Court justice Louis Brandeis, who was famously suspicious of large institutions. Cohen’s liberalism, in Lasser’s view, “coexisted with deeply held conservative principles,” particularly on the subject of business–government relations (p. 319). Lasser concludes that the colorful rhetoric and style of Cohen’s friend and colleague Tommy Corcoran was mostly responsible for Cohen’s image as a Brandeisian liberal. In contrast, Lasser argues that Cohen’s location within the Brandeis–Frankfurter circle was “largely a matter of happenstance” (p. 320). Taken on its own terms, Cohen’s work to regulate the nation’s businesses and financial markets was not antagonistic to business interests. For example, Cohen quietly consulted the representatives of the utility industry while writing the Public Utility Holding Company Act. Cohen’s objective was not to change the distribution of wealth or power in America, Lasser asserts, but to forge “an institutional and policy framework that would stabilize the markets and, through them, the entire economy” (p. 323). Cohen’s approach to the utilities sector was “directed not at destroying corporate power but at reining in its abuses and ensuring that businesspeople found more profit in selling goods and services than in promoting paper investments” (p. 326). Unlike Brandeis, Cohen was intellectually comfortable with the notion that centralization and expansion of federal authority to achieve these ends was necessary and, on balance, a good thing. By presenting Cohen as a practical-minded legal genius who was interested in preserving capitalism, Lasser offers an alternative to historian Alan Brinkley’s argument that, around 1938, New Dealers turned away from statist reforms in order to embrace a liberalism organized around the Keynesian manipulation of fiscal policy. Cohen, argues Lasser,

“had no need to retreat to this newer conception of liberalism” because, long before 1938, “his work had embodied its fundamental premises. . .” (p. 337).

Cohen’s intellectual ability to craft brilliant legal arguments to suit the political needs of the moment had an underside, though. For example, despite some personal misgivings, Cohen strongly supported the ill-advised Court-packing plan of 1937, and he later helped FDR’s administration justify its argument that the wartime internment of Japanese Americans was necessary. While Lasser acknowledges Cohen’s role in these episodes, devoting an entire chapter to the Court-packing debacle, his conclusion on this point—that Cohen was “an unwitting but primary architect of the runaway presidency” in American political life—seems to work a little too hard to split the difference in favor of Cohen (p. 331). Present at the creation, but not responsible?

Nevertheless, Lasser has accomplished a great deal in this book. It joins recent works on prominent figures of that era, such as David Stebenne’s biography of Arthur Goldberg and Nelson Lichtenstein’s study of Walter Reuther, as well as older biographical treatments of Harry Hopkins, Harold Ickes, Frances Perkins, and, of course, Franklin and Eleanor Roosevelt. Lasser’s biography of Ben Cohen is a very welcome addition to the shelf of fine books that chronicle the many architects of the New Deal.

*Jason Scott Smith is lecturer at Harvard Business School, where he teaches courses on the history of capitalism. He is presently working on a study of New Deal public works programs and economic development, to be published by Cambridge University Press.*