

American Capitalism, 1945–2000: Continuity and Change from Mass Production to the Information Society. By Wyatt Wells. Chicago: Ivan R. Dee, 2003. ix + 210 pp. Index, bibliography. Cloth, \$24.95. ISBN 1-566-63537-3.

Reviewed by Michael French

Wyatt Wells has produced a straightforward, well-written account of the main trends in the U.S. economy since 1945. While focusing primarily on the aims and impacts of the federal government's economic management and regulatory policies, he also comments on changes in the organization and effectiveness of the business sector. By proceeding chronologically, he offers an integrated evaluation of developments in these areas. In each section, some consideration is given to the U.S. international trading and financial positions, and there are brief evaluations of domestic inequalities. The book's approach resembles that adopted in earlier works, such as Herbert Stein's *Presidential Economics* or Robert Collins's *More*. However, *American Capitalism, 1945–2000* is more of a general survey, making debates over economic management accessible to a general readership.

The first chapter discusses the origins of the postwar boom and strategies of economic management during the 1940s and 1950s. More might have been made of changes in the labor market, especially in the employment of women. The second chapter spans the Kennedy, Johnson, and Nixon administrations, evaluating the aims and limitations of the New Economics and the emergence of monetarism. Both chapters are orthodox summaries that provide a useful guide to broad ideas about policy, but they occasionally understate the diversity of opinion and heterogeneity of interest groups that contributed to policy-making. For instance, the factors that led to increased defense spending and the economic and political calculations that shaped Johnson's Great Society programs would have benefited from more details illustrating how official views interacted with other interests.

Most valuable are the final three chapters, which analyze the economic problems of the 1970s, the changing approaches to economic management during the 1980s, and, finally, the "New Economy" of the 1990s. Each of these chapters contains a neat

summary of relatively recent events that helps to identify broad trends. Business historians will be interested in the discussions that crop up through the book regarding shifts in regulatory policies, though Wells's treatment of the "new" regulation of the 1960s would have been improved had he drawn from David Vogel's *Fluctuating Fortunes*. The roadblocks encountered by U.S. firms through their emphasis on exploiting the advantages of mass-production systems rather than developing alternative approaches, as was done overseas, is another recurring theme. Eventually U.S. companies developed methods that, Wells argues, were rooted in information management as a way to achieve flexible specialization. He deploys a variety of corporate examples to illustrate both these and other tendencies, such as the waxing and waning of the conglomerate movement and trends in financial markets. Wells emphasizes the dynamic forces of capitalism's "creative destruction," holding that the social costs of industrial restructuring or regional decline are to be expected and are offset by the emergence of new industries, firms, and regions.

Inevitably, given the book's format and length, these discussions are condensed. The choices required in writing any survey text result in gaps. In this case, the book would have been improved had the discussion of productivity trends been extended, had he given more than a perfunctory nod to the impact of regional change, and had he scrutinized more closely the social forces and political lobbying that influenced economic policy-making. Nonetheless, Wells's overview of trends in the U.S. economy and the reactions of its economic managers appears in a useful form, not least for undergraduate teaching.

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