

Europe in living standards. In 1870, per capita U.S. income totaled \$2,445 (in 1990 dollars), according to economic historian Angus Maddison. The amount was only slightly higher than the European average, and behind the averages of three major countries (Britain, Belgium, and the Netherlands). By 1913, American per capita income had reached \$5,301, a figure that exceeded Britain's average and was roughly 40 percent above Europe's. If big companies didn't create U.S. prosperity, the coincidence is certainly striking.

To make the alternative case, Perrow examines the 19th-century origins of corporate capitalism by focusing on textiles and railroads. In textiles, he says, there were two models: the big New England mills, usually owned by corporations with hundreds or thousands of employees; and a collection of smaller firms in Philadelphia, usually owned by partnerships and families. The New England firms concentrated on inexpensive textiles, while the Philadelphia mills made smaller batches of more specialized products. According to Perrow, the Philadelphia mills were profitable, employed greater numbers of skilled workers, and generally treated labor better.

As for railroads, he says that government-regulated networks in Britain and France were efficient, which demonstrates that large, unregulated companies weren't necessary for efficiency. Large companies became dominant in the United States, he contends, by creating political and legal advantages for themselves. Railroads bribed Congress and the states for subsidies. Corporations won legal advantages over other business forms: Limited liability, for example, meant that owners weren't liable for the corporation's debts. Perrow also cites the Supreme Court's *Dartmouth College* decision (1819), which, he says, placed chartered corporations "above the state law."

But little of this is convincing. New England textile mills produced the low-cost goods necessary for a mass-consumption society, while the Philadelphia mills served smaller, more selective markets. Perhaps Britain and France regulated railroads efficiently, but could American politicians have done so? This seems dubious. Rivalry among states was intense; Perrow cites instances

when states tried to reroute tracks to help themselves and hurt their neighbors—hardly efficient. Limited corporate liability created economic advantages by attracting investment capital and promoting risk taking. Finally, the *Dartmouth College* ruling didn't put corporations above the law. Rather, it said that once states granted a charter, they couldn't alter the terms without violating the Constitution's protection of contracts.

Early American capitalism was a messy mixture of private money and public privilege, as Perrow reminds us. Eager to protect "property rights," courts often intervened on the side of business. There were corruption and industrial strife. The system's great virtue was that it permitted continuous change, including the rise of modern industry. Bigger does not always mean better, but that's not to say there was an idyllic alternative for pioneering and spreading mass—that is, democratic—markets.

—ROBERT J. SAMUELSON

VIDA CLANDESTINA:

My Life in the Cuban Revolution.

By Enrique Oltuski. Wiley. 276 pp.
\$24.95

**INSIDE THE CUBAN
REVOLUTION:**

***Fidel Castro and the
Urban Underground.***

By Julia E. Sweig. Harvard Univ. Press.
302 pp. \$29.95

Oltuski tells the story of his transformation from University of Miami fraternity boy to organizer of the urban insurgency wing of Fidel Castro's revolutionary 26th of July Movement in Cuba, where he contributed to the overthrow of Fulgencio Batista's government in 1959. Sweig focuses on the same urban insurgency, but she writes about the collective experience of the young men and women, Oltuski among them, who fashioned the movement.

Revolutionaries make revolutions, both authors agree, and their actions are more important than social and economic conditions in directing the course and outcome of revolutions. But the authors differ on the relative importance of leaders and followers. That difference is one of the central issues in the



Fidel Castro golfed with Che Guevara at Havana's Buena Vista Social Club, after their victory in the Cuban Revolution of 1959.

understanding of large-scale acts of political violence over time throughout the world.

Oltuski, who is now Cuba's deputy minister of fisheries, remains an unreconstructed believer in the primacy of leaders. "I think to change, or even to evolve history, it's not enough for the popular conditions to exist," he writes. "You also need the man who strikes the spark and knows how to lead the people along the right path in the midst of as complex a situation as a revolution." In his view, Castro has been such a leader, and the Cuban Revolution is unimaginable without him.

By contrast, Sweig, a senior fellow at the Council on Foreign Relations, argues that the late-1950s "battle for Cuba's future was a power struggle . . . as much within the opposition as against the Batista dictatorship." Revolutionary Cubans acted in concert, she argues, and those in the urban areas did more than those in the countryside to weaken Fulgencio Batista's grip until about eight months before his fall. Castro's eventual triumph resulted from many factors, including accidents. Sweig acknowledges his many skills but insists that he did not tower over events all along. Many other revolutionaries also made this revolution.

Oltuski and Sweig concur on the significance of the urban underground. In doing so, they dispute the position taken by the official historian of the Cuban Revolution, Ernesto (Che) Guevara, who maintained that Castro-led guerrillas in the mountains were the architects of revolutionary victory. Guevara failed twice when he tried to implement his

theories of rural revolution elsewhere, first in the Congo and then in Bolivia, where he was killed in 1967. Oltuski and Sweig demonstrate that Guevara was wrong about revolution in Cuba as well.

These books disappoint because they focus solely on the urban underground of the 26th of July Movement (named for the date of a major attack on a barracks). One learns little about other revolutionary movements, such as the Revolutionary

Directorate and the Second Front at the Escambray Mountains, whose acts of violence also contributed to Batista's overthrow. And one learns nothing about the state's collapse from within. Six months before Batista fell, Fidel Castro and his brother Raúl commanded only some 400 guerrillas. The Batista regime imploded from a combination of military unprofessionalism, inadequate training, weaponry unsuitable for guerrilla warfare, the theft of war supplies, and inept strategic decisions.

The books are very well written, however, and they convey a lively sense of battle and commitment, chance and tragedy, human foibles and heroism. Whereas Oltuski simply relates his own tale, Sweig has conducted impressive archival and other primary research, employing documents newly declassified by the Cuban government. Her analysis is thorough, careful, and nuanced, and the book will likely become the key work on the subject.

—JORGE I. DOMÍNGUEZ

SOCIAL SCIENTISTS FOR SOCIAL JUSTICE:

Making the Case against Segregation.

By John P. Jackson, Jr. New York Univ. Press. 289 pp. \$45

The U.S. Supreme Court stimulated years of debate by citing, in *Brown v. Board of Education* (1954), a handful of social science studies attesting to the deleterious effects of legalized racial segregation. Did the Court's reference to "psychological knowledge"