Chamberlain also argues that "the collective method of wage determination would appear to invalidate the conclusions of a marginal productivity theory which rests on the assumption of a small-scale owner-operator entering into personal contractual relationship with individual workers" (p. 349). The error here lies in viewing the marginal productivity theory solely as a theory of wage determination. Actually, as it applies to collective bargaining, it attempts to predict the consequences of determining wages by other means.

Much of the discussion of wage theory in connection with collective bargaining is beside the point. Before any theory can be applied, it must first be determined whether collective bargaining has actually altered wages. As Chamberlain notes in passing (p. 373), research to date on this question has been inconclusive.

Chamberlain regards collective bargaining and the competitive price system as incompatible systems. In this he agrees with his colleague C. E. Lindblom, except that he welcomes the triumph of collective bargaining, while Lindblom deplores it. In the opinion of this reviewer, collective bargaining has had little economic impact; its main impact has been on human relations. It has thus been possible for us to achieve widespread collective bargaining without substantial alteration in the nature of competition.

ALBERT REES*


Crime in America is a book deserving of thoughtful consideration by all citizens. Based on thousands of pages of testimony taken in various parts of the country, this book reveals a strikingly uniform pattern in our political life everywhere. In New York City, the senate committee concluded that the notorious gangster, Frank Costello, "has exercised a major influence upon the New York County Democratic organization" (p. 305), and has had close relationships with some Republican leaders as well. Costello, once convicted for carrying a pistol, but better known for his leadership among New York City's principal underworld characters, has been responsible for placing men on the bench and was sufficiently influential during Mayor William O'Dwyer's administration to have his close friends appointed to high public office. In California, Arthur Samish, the lobbyist for the brewing industry who has had "links with the underworld" (p. 254), boasted that he is "the governor of the legislature" and "to hell with the governor of the state" (p. 238).

In Chicago, the senate committee accumulated a mass of evidence that conclusively proved the interests and connections of the Capone gang with politicians of both major parties. Miami Beach was found to be a focal point for a vicious pattern of criminal and political corruption. During the 1948 campaign for governor in Florida, the head of several dog tracks who "has had a long ca-

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rer of close association with Chicago racketeers of the Capone gang” (p. 106), contributed $100,000 to help elect the chief executive of the state. In Missouri Charles Binaggio, slain in his Kansas City political headquarters in 1950, was described as the “outstanding example of political boss and undisguised gangster in the United States” (p. 148). Binaggio’s influence extended to every level of government, and a former Attorney General of the state admitted that this underworld leader held the balance of power politically in the entire state. To cite conditions in other places mentioned in Senator Kefauver’s book would merely be repetitious. Virtually everywhere the pattern is the same.

For those who have advocated the legalization of gambling as a panacea to cure these ills, the chapter devoted to Nevada is particularly enlightening. Nevada is the only state in which gambling generally is licensed and permitted to operate under the sanction of law. Its gambling centers, however, “have become headquarters for some of the Nation’s worst mobsters” (p. 230). William J. Moore, a member of the Nevada State Tax Commissions which supervise gambling licenses, is himself engaged in a highly profitable gambling casino enterprise, and he receives the necessary wire service for his bookmaking operations at a rate which “gives him a considerable financial advantage over his competitors” (p. 232). The Lieutenant Governor of Nevada also receives substantial income from his interest in gambling enterprises. Based on its study of conditions there, the Senate Committee concluded that where gambling receives a cloak of respectability through legalization there is no weapon which can be used to keep the gamblers and their money out of politics, and that “as a case history of legalized gambling, Nevada speaks eloquently in the negative” (p. 229). The evidence is clear that the underworld is a source of tremendous political power in America. It has been clearly established that many governors, mayors, judges, and office holders at almost every level of government have been deeply indebted to the racketeering element for their political advancement. This fact should be cause for serious concern on the part of all decent citizens.

The Kefauver Senate Committee performed an outstanding public service in its investigation of organized crime in the United States. James Bryce recognized many years ago that the fear of public exposure exercises a most wholesome influence in our form of government. The revelations of the Kefauver committee should result in improved standards of official conduct for some time. However, only constant vigilance at the level of local government will result in permanent improvement. Senator Kefauver’s book is well written. It will capture the interest of all readers. It is also valuable for students of government as well as honest officials who are interested in becoming informed concerning the top ranking members of the underworld.

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