

## From Depression to Détente: Business-Government Relations in Post-New Deal America, 1930s-1970s (Abstract)

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The interaction between federal officials and the leaders of the nation's largest corporations in the formulation and implementation of public policy has long been a topic of academic interest. Most treatments of business-government relations, however, confine themselves to individual companies, specific families, or long-established pan-industrial organizations such as the US Chamber of Commerce and the National Association of Manufacturers.

Such studies ignore important facts. In the 40 years since the New Deal, the managers of the nation's biggest firms have gradually acclimated themselves to the existence of a vastly expanded federal establishment. In the process, they have created new research, advisory, and lobbying organizations whose structure and operations differ markedly from those of business groups which preceded them. The Business Council (founded in 1933), the Committee for Economic Development (founded in 1943), and the Business Roundtable (founded in 1972) provide important examples which serve to differentiate the new from the old in the realm of corporate organizational dynamics.

Characteristics that these big business organizations possess in common include

(1) A lack of dependence upon public recognition for their effectiveness and a concern with increasing or maintaining their influence as Washington "insiders," as opposed to "outsiders."

(2) A select membership drawn from among the top managers (usually presidents or board chairmen) of the nation's largest corporations (of the *Fortune* 100 and *Fortune* 500 lists); and a lack of concern for recruiting representatives of small- or medium-sized firms.

(3) Creation as a result of cooperation between big businessmen and highly placed officials of the executive branch of the federal government; and confidential procedures aimed at assisting compromise on matters of industrial and economic import.

(4) The promotion of "positive" rather than "negative" positions on legislation; a tendency to substitute a strategy of "Yes, but..." for a strategy of "no"; greater willingness to arrive early,

propose consistently, and aim at passing substitute bills less harmful to big business interests.

(5) An increased awareness of the virtues of minimizing exposure, visibility, and opposition from competing power groups inside and outside of government; and a willingness among members to substitute the idioms of détente for the rhetoric of laissez-faire in dealing with federal officials.

The essay provides specific historical illustrations of the foregoing organizational characteristics. It seeks, further, to demonstrate how businessmen have sought to bargain with government, what types of institutions they have established to assist them in their efforts, and what collective interests American big business men have been particularly interested in preserving in the post-New Deal era. The essay attempts to pose new questions for the consideration of historians of American business. It does so without launching into Marxist or Libertarian diatribe regarding the subversion of the public sector by the private sector -- or of the private sector by the public sector.