cars, tires, movie tickets, cigarettes, whiskey, and even grape concentrates—all of which are considered regressive because they hit lower income earners hardest. Kennedy avoids discussing the funding for New Deal programs from regressive taxes, but he clearly knows this happened because he cites the key sources that demonstrate this point.

Often Kennedy tells the part of the story that supports the New Deal, or big government, and then omits the part where the program didn't work or where Roosevelt (or Hoover) endorsed a regressive tax scheme to help it survive. For example, Kennedy tells the reader about the $300 million spent (under the Reconstruction Finance Corporation) for the country's first federal welfare program. But he fails to mention that it was a grab bag for whichever states could rush to Washington quickest to get the cash. Illinois managed to snatch over $55 million; Massachusetts got zero.

Kennedy tells the reader how skilled a campaigner Roosevelt was, but conveniently omits much of the logrolling that made his victories possible. In Roosevelt's run for reelection in 1936, for example, he gave this order to Henry Wallace, his secretary of agriculture: "Henry, through July, August, September, October and up to the 5th of November I want cotton to sell at 12 cents. I do not care how you do it. That is your problem." Also during that campaign a Gallup Poll showed that over 75 percent of the relief vote was for Roosevelt and only 17.5 for Alf Landon, his Republican opponent. Therefore, Roosevelt pumped millions into relief in the key states right before the election. Had Kennedy chosen to discuss FDR's orders to Wallace, the targeted spending for relief, or the many other examples of programs for votes, the reader would have had a more balanced account of the changes taking place in American society with the growth of government.

Instead, Kennedy usually toes what Beard called "the Roosevelt line." He portrays the growth of government in an invariably positive light. "In the yeasty atmosphere of Roosevelt's New Deal, scores of social experiments flourished," Kennedy writes. "In the last analysis, Franklin Roosevelt faithfully discharged his duties. . . . He did mend the evils of the Depression by reasoned experiment within the framework of the existing social system." Such lines may have helped Kennedy win the favor of the Pulitzer Prize committee, but they don't illuminate the complexities of the New Deal era. □

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The Titanic Story: Hard Choices, Dangerous Decisions

by Stephen Cox

Open Court • 1999 • 152 pages • $16.95

Reviewed by George C. Leef

The story of the sinking of the *Titanic* is a monumental drama that will be told and retold for centuries to come. In recent years we have seen a blockbuster movie, a Broadway play, and a spate of books on the great 1912 disaster. The trouble with most of the *Titanic* output is that it tells only part of the story, and often with a decided slant.

Stephen Cox's book is not intended to be a full-fledged history of the *Titanic*—his extensive bibliography gives the reader a long list of books to consult, along with helpful short analyses of them—but rather is an endeavor to understand some of the "hard choices, dangerous decisions" (as the book is subtitled) that occurred before, during, and after the sinking. In the course of his writing, Cox calls into question many of the widely held beliefs that have grown up around the tragedy, beliefs that suit the anti-market zealots who never pass up an opportunity to depict capitalism as dangerous and immoral.

The difficulty with most of the *Titanic* versions, Cox writes, is that they are "told as if all the important issues were easy to resolve." "If we had operated the *Titanic*, it is suggested, we would certainly have taken the trouble to determine just how far from 'unsinkable' she really was. We would have provided her with every conceivable safety device and mechanism of escape. We would have anticipated every hazard she might conceivably have encountered." Cox, however, won't play the game of perfect hindsight, but asks about the situation that faced the decision-makers at the time, what information they had, what beliefs they held.

Consider, for example, the famous matter of the lifeboats. There were not enough lifeboats to provide places for all the passengers and crew members, and for that decision the White Star Line was pilloried. Supposedly, the firm's decision to equip the ship with fewer than enough boats to allow everyone to be able to escape showed its disregard for the well-being of passengers and crew—putting profits before people, as anti-capitalists are so ready to chant. Cox's analysis, however, shows that this is far from the indisputable indictment of laissez faire that it is widely assumed to be.

First, there is the element of time. On a passenger liner, with large numbers of panicky civilians who don't all behave ideally, getting everyone into lifeboats and safely launching them takes a great deal of time. The *Titanic* stayed afloat for two hours and 40 minutes after the collision—longer than most ships take to sink—but still, under perfectly calm conditions, did not have enough time to launch its full complement of boats. As Cox says, "The *Titanic* literally could not have used any more lifeboats, primarily because her crews were not organized well enough to save time by launching them simultaneously."

Moreover, the *Titanic* sank under the unusual conditions of calm seas and no port or starboard list. Why does that matter? Cox points out that, "if a ship is going to sink, it may well develop a list so severe that lifeboats on one side cannot be lowered because they will hit the hull and lifeboats on the other side cannot be loaded because they are swinging too far from the deck." Therefore, the requirement to have a lifeboat place for everyone would in practice require substantially more than "enough places" because of the likelihood that not all boats could be launched.

Instead of putting more money into making certain that there was a lifeboat place for everyone, shipbuilders concentrated on trying to make each ship "its own lifeboat"; that is, making the ship so seaworthy that in the event of a disaster, it could support those aboard long enough for help to arrive. "In 1912," the author observes, "lifeboats were valued chiefly for their ability to ferry a few people at a time from a distressed liner to a rescue ship, which would use its own boats to speed the operation." Had the *Californian* come immediately to the aid of the *Titanic*—another issue that Cox tackles—there might have been few if any casualties.

A fascinating aside is that because of regulations enacted in the United States after the sinking that mandated "lifeboats for all," the liner *Eastland* capsized and sank in Chicago, killing 844 people because of its excess weight added to the top of the ship by the obligatory new lifeboats.

Among other interesting subjects, Cox dwells on the post-sinking hearings held both in Washington and London. The former consisted mainly of grandstanding by Senator William A. Smith of Michigan, whom Cox describes as "an ingenious busybody, cherishing the . . . assumption that if anything goes wrong, the United States government ought to do something about it." The hearings in London, in contrast, were held more to generate light than heat.

A valuable book, indeed. □

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Money, Greed, and Risk: Why Financial Crises and Crashes Happen

by Charles R. Morris

Times Books • 1999 • 224 pages • $25.00

Reviewed by Larry J. Sechrest

The reader of *Money, Greed, and Risk* is informed that the book's author, Charles R. Morris, has been a partner in a consulting firm, an executive with Chase Manhattan Bank, the secretary of health and human services for the state of Washington, and assis-