Hawley, “Herbert Hoover, the Commerce Secretariat, and the Vision of an ‘Associative State,’ 1921-1928,”

Berle & Means, *The Modern Corporation & Private Property*

Study Questions

This set of articles on/from the 1920s is intended to give you the flavor of a new corporate order in which the corporation had become both the main organizing institution of the private economy and the object of a plan for economic and social stabilization and progress dreamed up by Herbert Hoover during his years as Secretary of Commerce under Presidents Harding and Coolidge. I do not, repeat, do not intend you to learn the names and duties of the two dozen agencies, mentioned in this article, that Hoover attempted to use to promote cooperation between government and business. Rather, I want you to use this article as a kind of collage that helps you to see Hoover’s underlying design for a modern American system.

1. What was Hoover up to in his Commerce years? What had he concluded—where did he come down in the contest between Roosevelt and Wilson? (or between those who advocated liberal statist (government regulation) and corporate liberal methods for promoting an efficient American liberal order? Review your study quide on these categories.

2. How does Hawley describe Hoover’s vision of an “associative” state? What did “associative” mean, and how did it differ from individualist or statist?

3. Why did he choose the Commerce Department as his instrument for reforming the U. S. order? What obstacles did he encounter? In what respects was he most successful? What new services did he inaugurate? For whom?

4. How well did Hoover’s system work during the 1920s? Mainly for whose benefit? Did it work in the depression crisis? How did FDR characterize it in his First Inaugural?

5. If you accept the analysis provided by Berle and Means of the transformation of control of corporate wealth and power by the 1920s, how comfortable are you with a Hooverian vision for the role of the state?