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THE CONCENTRATION OF POWER AND AUTHORITY  
IN THE AMERICAN POLITICAL SYSTEM: INSTITUTIONAL  
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The Florida State University, Ph.D., 1973  
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THE CONCENTRATION OF POWER AND AUTHORITY  
IN THE AMERICAN POLITICAL SYSTEM:  
INSTITUTIONAL ELITES IN THE  
PUBLIC AND PRIVATE SECTORS

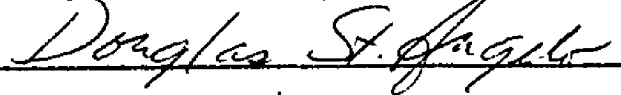
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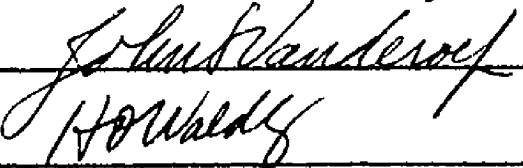
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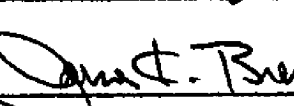
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August, 1973

THE CONCENTRATION OF POWER AND AUTHORITY  
IN THE AMERICAN POLITICAL SYSTEM:  
INSTITUTIONAL ELITES IN THE  
PUBLIC AND PRIVATE SECTORS

(Publication No.            )

John W. Pickering, Ph.D.  
The Florida State University, 1973

Major Professor: Thomas R. Dye

This paper is concerned with the structure of power and authority in America. Specifically, it examines top institutional leadership in both the public and private sectors of American society--corporations; commercial banks; insurance; transportation, utilities, and communications; civic affairs; foundations; education; government; and the military. The purposes of the paper are to develop a systematic definition of a national institutional elite; to measure the concentration of power and authority in top institutional positions; to explore several types of linkages among elites; to provide a general biographical description of top elites; and to examine changes in institutional structures and elite characteristics over time.

The premises upon which the study rests stem from the structural-positional approach to the study of power and include the following: (1) elites are a functional necessity in an organized society; (2) power is the means by which order in society is established; (3) power is



institutionalized; the elite occupy positions of authority in power-holding institutions; and (4) power is the potential for control in society which results from the holding of authoritative positions in societal institutions.

The elite are defined here as the universe of individuals who occupy major positions of authority in top-ranked institutions within the main sectors of society. Data were gathered for such a universe of elites at three different points in time--1970, 1955, and 1940.

Social scientists agree that a minority of individuals in a society--an elite--makes decisions for the majority. They disagree, however, over the nature of this elite. Some posit a "polyarchical model" of power and argue that power is widely dispersed among several sets of conflicting, heterogeneous, specialized elites who limit their exercise of power to a narrow range of issues and institutions in their own separate sectors of society. Others posit a "convergence model" and hold that power is concentrated in the hands of a relatively small, homogeneous, unified elite who exercise control over a wide range of issues, institutions, and across sector boundaries.

Proponents of the convergence model maintain that there are a whole series of social, psychological, educational, occupational, life-style, and economic linkages among elites which work in concert to produce coordination and unity. Two categories of linkages were selected for examination in this paper. The first type was

formal-positional in nature--specifically, the practice of interlocking directorates whereby an individual holds two or more top positions simultaneously was examined. The second type was personal-biographical and included an examination of occupational experiences, educational backgrounds, and social club memberships.

The convergence and polyarchical power-structure models represent ideal types on a continuum of possible models. The findings of this study suggest that a combination of the two models exists in reality; there is evidence of both convergence and polyarchy. The findings were as follows:

1. Power resources are highly concentrated in the 3943 individuals (in 1970) who held the 5092 authoritative positions in the 356 top-ranked institutions identified in this study. These individuals and institutions controlled one-half of the nation's total business assets; the assets of the most prestigious and wealthy universities, foundations, and civic associations; and the federal government and the military.
2. There is a small, homogeneous, tightly interlocked elite in the seven business and public interest sectors--corporations, banking, insurance, transportation-utilities-communications, civic and cultural affairs, foundations, and education--supported by a larger specialized elite in each sector.
3. There are separate, specialized governmental and military sectors, whose officials are only slightly and informally linked with elites in other sectors.

## PREFACE

Much of the theory, methodology, and data in this paper are the outgrowth of a research seminar directed by Professor Thomas R. Dye at Florida State University during Spring Quarter, 1972. The seminar--entitled the "American Establishment Study"--resulted in the creation of an elite data base for 1970. To this base, additional information was added for 1970, 1955, and 1940.

I would like to express my appreciation to Professor Dye for the invaluable guidance--both academic and personal--which he has given me over the past two years. In addition, I would like to thank the members of my committee for their aid and direction in preparing this dissertation. And finally, special thanks are extended to my wife, Donna, whose patience and support throughout my graduate career have been unfailing.



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## INTRODUCTION

This paper is concerned with the structure of power and authority in America. Specifically, it examines top institutional leadership in both the public and private sectors of American society--industrial corporations; commercial banks; life insurance; transportation, utilities, and communications; civic and cultural affairs; foundations; education; government; and the military. The purposes of the paper are to develop a systematic definition of a national institutional elite; to measure the concentration of power and authority in top institutional positions; to explore several types of linkages among institutional elites; to provide a general biographical description of top elites; and to examine changes in institutional structures and elite characteristics over time.

Are there separate institutional elites in each sector of society with little or no overlap in power or authority and many separate channels of recruitment? Or is there a convergence of power at the "top" of the institutional structure in America, with a single group of individuals, recruited primarily from industry and finance, who occupy top positions in business, education, government, foundations, civic and cultural affairs, and the military? If power and authority are concentrated,

are they equally concentrated in all of the sectors, or is there considerable variation among the sectors as to the degree of concentration in each? What are those who occupy commanding positions in society's major institutions like? Are they truly a "governing class," or do they simply reflect a business middle class? Do the institutions, and the individuals who command them remain stable over time; or is there a circulation of institutional elites with new individuals becoming powerful over time? Social scientists have differed over these and other similar important questions; but unfortunately there exists little systematic research into these topics in social science literature to date. This paper is particularly aimed toward filling this void. Because power shall be a key concept in this study, the first chapter is designed to explore several conceptual, methodological, and ideological aspects of it.

## CHAPTER I

### POWER: A PROBLEM OF DEFINITION

In a review of Floyd Hunter's Community Power Structure, Herbert Kaufman and Victor Jones observe that:

There is an elusiveness about power that endows it with an almost ghostly quality. It seems to be all around us, yet this is "sensed" with some sixth means of reception rather than with the five ordinary senses. We "know" what it is, yet we encounter endless difficulties in trying to define it. We can "tell" whether one person or group is more powerful than another, yet we cannot measure power. It is as abstract as time yet as real as a firing squad.<sup>1</sup>

Because of this elusiveness, specific definitions of power--and related concepts like influence and authority--have proliferated in current sociological and political science literature.<sup>2</sup>

It is possible, however, to identify certain broad likenesses in the many specific definitions of power so

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<sup>1</sup>"The Mystery of Power," Public Administration Review, Vol. 14 (Summer, 1954), p. 205.

<sup>2</sup>Robert Dahl refers to terms related to power--like authority, control, influence, dominance, force, etc.--as "power terms," and we shall follow him in arguing that they receive their meanings from the definition of power. Therefore, we will first specify our presumptions about power and then define what related power terms we intend to employ. See Robert A. Dahl, "Power" in The International Encyclopedia of the Social Sciences, Vol. 12 (New York: The Free Press, 1968), pp. 405-415.

that they may be generally assigned to one of two basic categories or approaches. One approach to power stems mainly from the theory and research of sociologists, while the other is closely identified with the inquiries of political scientists.<sup>3</sup>

The first approach--more commonly encountered in sociological literature--defines power as the potential for control which results from occupying important positions in a structured social system. Relatively permanent institutions exist which accumulate and control the means and resources of power in the several sectors of society. Economic sector institutions, for example, include banks and corporations which accumulate and exercise economic resources. Similarly, political sector institutions like legislatures and bureaucracies accumulate political resources, and military sector institutions including armies and navies control and manipulate force. Power resources are cumulative and translatable into one another. To have power, according to this "structural approach," one must occupy control positions

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<sup>3</sup>It is, perhaps, an unfair generalization to split along such disciplinary lines, but the presumptions about power are so convincingly similar in each respective discipline's literature that the distinction is unavoidable. Individual exceptions, to be sure, exist in each discipline. For a discussion of such disciplinary differences as they relate specifically to community power structure literature, see Thomas J. Anton, "Power, Pluralism, and Local Politics," Administrative Sciences Quarterly, Vol. 7 (March, 1963), pp. 425-457; for a more general discussion, see David Ricci, Community Power and Democratic Theory (New York: Random House, 1971).

in important societal institutions; to study power, the researcher must examine these institutions and the individuals who control them.

The second approach--common among political scientists--focuses upon individuals in decisional relationships; it is defined as the momentary exercise of actual control in the relationship. Power is based in a wide variety of resources; but they are noncumulative and nontranslatable. Before one can have power--i.e., exercise control in a particular decisional situation--he must first possess: (1) resources in sufficient amounts, scope, and domain; (2) skill in their use; and (3) the will and motivation to use them. To demonstrate the presence of power, the "decisional approach" requires the researcher to demonstrate: (1) the presence of the three elements mentioned above, and (2) a clear causal relationship between the participants in the decision event. Both the structural and the decisional approaches to the study of power are discussed in considerably greater detail in succeeding sections of this chapter.

#### The Structural Approach:

Presumptions about power in the structural approach stem from a sociological view of society. Calvin Larson and Philo Washburn explain that "a central ingredient of the sociological perspective is the premise that men are dependent upon each other for the fulfillment of a variety of



needs."<sup>4</sup> This interdependence leads to the formation of groups, associations, and institutions which constitute a "social system."

Among the most important patterns of interaction with which sociologists are concerned is the structure or organization of power in society. Robert Lynd writes that:

. . . it is the necessity in each society--if it is to be a society, not a rabble--to order the relations of men and their institutional ways of achieving needed ends. . . . [O]rganized power exists--always and everywhere, in societies large or small, primitive or modern--because it performs the necessary function of establishing and maintaining the version of order by which a given society in a given time and place lives.<sup>5</sup>

Conceptually, power is viewed as being structured over time and attached as an attribute to "roles" or positions and in groups and institutions in society. C. Wright Mills writes that:

No one . . . can be truly powerful unless he has access to the command of major institutions, for it is over these institutional means of power that the truly powerful are, in the first instance, powerful.<sup>6</sup>

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<sup>4</sup>Calvin J. Larson and Philo C. Washburn, eds., Power, Participation, and Ideology: Readings in the Sociology of American Political Life (New York: David McKay Company, 1969), p. vii.

<sup>5</sup>Robert S. Lynd, "Power in American Society as Resource and Problem," in Arthur Kornhauser, ed., Problems of Power in American Society (Detroit: Wayne State University Press, 1957), pp. 3-4.

<sup>6</sup>C. Wright Mills, The Power Elite (New York: Oxford University Press, 1956), p. 9.

Power is conceived to be centered in institutions because they control the important resources and the means to manipulate them. Indeed, power is defined as the potential to control in society which is achieved by occupying top positions in and directing the actions of important institutions.

As with other concepts in sociology, this notion of power can be traced back to the writings of Max Weber who defined power as the "chance of a man or a number of men to realize their own will in a communal action even against the resistance of others who are participating in the action."<sup>7</sup> Contemporary sociologists have interpreted "chance" in this definition to mean that one must have the "ability," the "capacity," or the "potential" to effect his will before he can be said to "have" power.<sup>8</sup> Robert O. Schultze explains that:

. . . a few have emphasized the act as such rather than the potential to act as the crucial aspect of power. It seems far more sociologically sound to accept a Weberian definition which stresses the potential to act. Power may thus be conceived as an inherently group-linked property, an attribute of social statuses rather than of individual persons. Whether or not the specific individuals in these statuses cash in on their control potential in their concrete role behavior is obviously an important

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<sup>7</sup>Hans Gerth and C. Wright Mills, eds., From Max Weber: Essays in Sociology (New York: Oxford University Press, 1946), p. 180 (emphasis was added).

<sup>8</sup>See Arnold M. Rose, The Power Structure (New York: Oxford University Press, 1967), Chapter II for an excellent discussion of this point.

matter, but it is not important to the conceptual clarification of the key term, power. In the present research, accordingly, power will denote the capacity or potential of persons in certain statuses to set conditions, make decisions, and/or take actions which are determinative for the existence of others within a given social system.<sup>9</sup>

Important institutions are those which exercise control over resources valued in society. Sociologists tend to focus most of their attention on socio-economic resources like wealth, status, force, and legitimacy. More importantly, perhaps, they view these resources as being both cumulative and "translatable into one another: the wealthy find it easier than the poor to gain power; those with status find it easier than those without it to control opportunities for wealth."<sup>10</sup>

Methodologically, the view that power--or at least socially significant power--is a function of the institutional nature of society has resulted in two different but related methods for the study of it. These have sometimes been referred to as "elitist" methods; but as will be pointed out below, they do not always discover elites nor do they necessarily carry ideological implications. The first of these--the "reputational method"--is probably most closely associated with the works of Floyd Hunter and especially with

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<sup>9</sup>Robert O. Schultze, "The Bifurcation of Power in a Satellite City," in Morris Janowitz, ed., Community Political Systems (Glencoe, Ill.: The Free Press, 1961), p. 20.

<sup>10</sup>Mills, The Power Elite, p. 10 (emphasis added).

his study of Atlanta, Georgia as reported in Community Power Structure.<sup>11</sup> The other--called the "positional method"--was popularized by C. Wright Mills in The Power Elite. Both methods begin with the presumption that power is structured, cumulative, translatable, and attached to positions in the social system's component institutions; each, however, approaches the operational problem of identifying power-holders in a slightly different way.

Hunter began his study by observing that "a social order, or system" was being maintained in "Regional City" (Atlanta).<sup>12</sup> He continues:

Broadly speaking, the maintenance of this order falls to the lot of almost every man in the community but the establishment of changes in the old order falls to the lot of relatively few.<sup>13</sup>

These few, according to Hunter, were community "leaders," and he describes their nature sociologically:

The difference between leaders and other men lies in the fact that social groupings have apparently given definite functions over to certain persons and not to others. The functions suggested are those related to power.<sup>14</sup>

He then proceeds to explain how important leaders were identified in Regional City:

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<sup>11</sup>Floyd Hunter, Community Power Structure (Chapel Hill, N.C.: The University of North Carolina Press, 1953).

<sup>12</sup>Ibid., p. 9.

<sup>13</sup>Ibid., (emphasis is Hunter's).

<sup>14</sup>Ibid., p. 2.

The men of power were located by finding persons in prominent positions in four groups that may be assumed to have power connections. These groups were identified with business, government, civic associations, and "society" activities. From the recognized, or nominal, leaders of the groups mentioned, lists of persons presumed to have power in community affairs were obtained. Through a process of selection, utilizing a cross section of "judges" in determining leadership rank, and finally by a further process of self-selection, a rather long list of possible power leadership candidates was cut down to manageable size for the specific purpose of this study. Forty persons in the top levels of power in Regional City were selected from more than 175 names. Many more persons were interviewed in relation to the forty.<sup>15</sup>

Thus, Hunter's reputational method is actually a two-step process. First, persons reputed to be community leaders--i.e., persons who held power positions in business, governmental, civic, and social institutions--were listed. Secondly, this list was revised and reduced--first by a group of "judges" from the community and then by interviewing the leadership finalists themselves. It may be that the term, "reputational," is a misnomer for this approach. David Ricci addresses this point when he writes that:

It is true the lists were originally composed according to reputations for leadership; it is also clear, however, that the interviews refined the lists by introducing corroborative opinions and substantive information about policy-making by men directly familiar with such matters. Therefore the interviews, at least, constituted direct proof far closer to reality than the indirect evidence seen in simple reputation.<sup>16</sup>

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<sup>15</sup>Ibid., p. 11.

<sup>16</sup>Ricci, Community Power and Democratic Theory, p. 91.

Nevertheless, this method has traditionally borne the "reputational" label, and critics have especially attacked this aspect of it.<sup>17</sup> Raymond Wolfinger writes, for example, that:

The reputational method . . . does not do what it is supposed to do: the ranking of leaders is not a valid representation of the distribution of political power in a given community. But assuming that reputations for power do in fact constitute an adequate index of power, nevertheless the resulting list of powerful individuals would not be useful without additional research which would make the method largely redundant, and even this utility would be very limited.<sup>18</sup>

Another criticism of this method is inherent in political scientist Nelson Polsby's observation that:

[Pluralism] rejects the stratification thesis that some group necessarily dominates a community. If anything, there seems to be an unspoken notion among pluralist researchers that at bottom nobody dominates in a town, so that their first question of a local informant is likely not "Who runs this community?" but rather "Does anyone at all run this community?"<sup>19</sup>

Thus, he argues, any substantive response to a question about who holds power in a community will, by definition, produce

<sup>17</sup>See the following works for a general view of the pluralist critique of the reputational method: Robert A. Dahl, "A Critique of the Ruling Elite Model," American Political Science Review, Vol. 52 (June, 1958), pp. 463-469; Nelson Polsby, Community Power and Political Theory (New Haven: Yale University Press, 1963); and Raymond C. Wolfinger, "Reputation and Reality in the Study of Community Power," American Sociological Review, Vol. 25 (October, 1960), pp. 636-644.

<sup>18</sup>Wolfinger, "Reputation and Reality in the Study of Community Power," p. 641.

<sup>19</sup>Polsby, Community Power and Democratic Theory, p. 114 (emphasis Polsby's).

the appearance of an elite power structure even if one does not exist.

Hunter also made an attempt to use the reputational method in a study of power on the national level.<sup>20</sup> The method in this study, however, encountered numerous methodological difficulties which according to most critics resulted in--at best--an unsystematic identification of a set of nationally prestigious individuals.<sup>21</sup> Using questionnaires, interviews, and informants, Hunter reports a nucleus of one hundred "powerful" individuals who are consistently identified as having "first rate" influence on national policy-making. And, despite its methodological and theoretical weaknesses, the study does supply several interesting insights into the world of elite interaction. It also provides some evidence for arguing that this national "elite" is "unified" because of similar educational, social, and professional experiences and interactions.

The positional method popularized by C. Wright Mills is more straightforward. Rather than relying upon the informants to identify power-holders, the positional method concentrates upon identifying the institutions in society

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<sup>20</sup>Floyd Hunter, Top Leadership, U.S.A. (Chapel Hill, N.C.: The University of North Carolina Press, 1959).

<sup>21</sup>For a critique of Top Leadership, U.S.A., see Suzanne Keller, Beyond the Ruling Class (New York: Random House, 1963), pp. 109-112.

which command important power; those who control these institutions are power-holders. Mills asserts that there are three interdependent institutional sectors which, acting together, make the important policy decisions in America. The sectors are the military, corporations, and the government; they are controlled by "the warlords, the corporate chieftains, and the political directorate" respectively.<sup>22</sup> These institutional elites occupy "strategic command posts" in America, and they come together in policy-making to form a "power elite."<sup>23</sup> Mills explains that:

The higher circles in and around these command posts are often thought of in terms of what their members possess: they have a greater share than other people of the things and experiences that are most highly valued. From this point of view, the elite are simply those who have most of what there is to have, which is generally held to include money, power, and prestige--as well as all the ways of life to which these lead. But the elite are not simply those who have the most, for they could not "have the most" were it not for their positions in the great institutions. For such institutions are the necessary base of power, of wealth, and of prestige, and at the same time, the chief means of exercising power, of acquiring and retaining wealth, and of cashing in the higher claims for prestige.<sup>24</sup>

As will be seen below, this view of national power runs directly counter to that proposed by many political scientists--especially David Truman and Robert Dahl. Where Truman and Dahl see multiple elites competing, bargaining,

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<sup>22</sup> Mills, The Power Elite, p. 9.

<sup>23</sup> Ibid.

<sup>24</sup> Ibid.



compromising, and checking each other to produce an open democratic society; Mills sees a unified, single elite whose members often come together to make important policy decisions, which are beneficial primarily to themselves.

Mills lists "three major keys" to understanding the unity of the power elite.<sup>25</sup> The first "is the psychology of several elites in their respective milieux."<sup>26</sup> He explains:

In so far as the power elite is composed of men of similar origin and education, in so far as their careers and their styles of life are similar, there are psychological and social bases for their unity, resting upon the fact that they are of similar social type, and leading to the fact of their easy intermingling.<sup>27</sup>

The second key is institutional in nature. The manner in which "each of the major hierarchies is shaped and what relations it has with the other hierarchies determine in large part the relations of their rulers."<sup>28</sup> And because "today in America there are several important structural coincidences of interest between these institutional domains," then there is a corresponding unity of elites.<sup>29</sup> The final key to understanding the power elite lies in "the unity of a more explicit co-ordination."<sup>30</sup> Mills explains that:

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<sup>25</sup>Ibid., p. 19.

<sup>26</sup>Ibid.

<sup>27</sup>Ibid.

<sup>28</sup>Ibid.

<sup>29</sup>Ibid.

<sup>30</sup>Ibid.

To say that these higher circles are increasingly co-ordinated, that is one basis of their unity, and that at times--as during the wars--such co-ordination is quite decisive, is not to say that the co-ordination is total or continuous, or even that it is very sure-footed. Much less is it to say that willful co-ordination is the sole or the major basis of their unity, or that the power elite has emerged as the realization of a plan. But it is to say that as the institutional mechanics of our time have opened up avenues to men pursuing their several interests, many of them have come to see that these several interests could be realized more easily if they worked together, in informal as well as in more formal ways, and accordingly they have done so.<sup>31</sup>

As might be expected, critiques of The Power Elite were many and severe.<sup>32</sup> Perhaps the most obvious critique, given the presumptions of the decisional approach, was that Mills had, at best, only identified individuals who possessed the potential for control and not exercisers of actual control.<sup>33</sup> Robert Dahl, for example, writes:

Suppose a set of individuals in a political system has the following property: there is a very high probability that if they agree on a key political alternative, and if they all act in some specified way, then that alternative will be chosen. We may say of such a group that it has a high potential for control. In a large and complex society like ours, there may be many such

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<sup>31</sup>Ibid., pp. 19-20.

<sup>32</sup>Some of the critiques are: Daniel Bell, "The Power Elite--Reconsidered," American Journal of Sociology, Vol. 64 (November, 1958), pp. 238-250; Dahl, "A Critique of the Ruling Elite Model"; William Kornhauser, "'Power Elite' or 'Veto Groups'?" in S. M. Lipset and L. Lowenthal, eds., Culture and Social Character (New York: The Free Press, 1961), pp. 252-267; and Polsby, Community Power and Political Thought.

<sup>33</sup>Of course, that was precisely what Mills was trying to do given his definition of power.

groups. . . . But a potential for control is not, except in a peculiarly Hobbesian world, equivalent to actual control.<sup>34</sup>

Other critiques centered around the inadequacy of Mills' "proof" of solidarity in the elite and the type of policies which he chose to illustrate power elite control of decision-making.

Following Mills, several other sociologists have employed the positional method in studies attempting to identify a national, institutional elite. G. William Domhoff combines the positional method with another concept of sociology--social class--and discovers that there exists in America a "governing class" composed of those members of the social upper class who also hold commanding positions in important institutions.<sup>35</sup> Like Mills, Domhoff concedes that this governing class is "neither monolithic nor omnipotent, let alone omniscient."<sup>36</sup> He also concedes that the elite sometime disagree over policy; but, he argues, the boundaries of policy disagreement are set within the elite, not by the masses. Domhoff continues:

The power elite has its roots in and serves the interests of the social upper class. It is the operating arm of the upper class. It functions to maintain and

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<sup>34</sup>Dahl, "Critique of the Ruling Elite Model," p. 66 (emphasis is Dahl's).

<sup>35</sup>G. William Domhoff, Who Rules America? (Englewood Cliffs, N.J.: Prentice-Hall, 1967) and The Higher Circles (New York: Random House, 1970).

<sup>36</sup>Domhoff, Who Rules America?, p. 3.

manage a socioeconomic system which is organized in such a way that it yields an amazing proportion of its wealth to a miniscule upper class of big businessmen and their descendents.<sup>37</sup>

In addition to exercising legal "control" of socioeconomic institutions, the governing class also "dominates" the political process:

members of the upper class sit in pivotal government offices, define most major policy issues, shape the policy proposals on issues raised outside their circles, and mold the rules of government. Legally, the government is of all of us, but members of the upper class have the predominant, all-pervasive influence.<sup>38</sup>

Domination of public policy is through:

a variety of foundations, associations, committees, and institutions within which members of the upper class participate if they wish to be active in determining policy. These foundations, institutes, and associations --along with corporate board rooms and gentlemen's clubs--are the citadels wherein consensus is reached and from which natural leaders emerge.<sup>39</sup>

E. Digby Baltzell, writing as an elite "insider," approaches the topic of a ruling establishment from a less methodological tack but does address himself to the concept of elite unity.<sup>40</sup>

<sup>37</sup>Domhoff, The Higher Circles, p. 107.

<sup>38</sup>Ibid., pp. 105-106.

<sup>39</sup>Ibid., p. 106. Domhoff's first book, Who Rules America? is more concerned with positional analysis than the second, The Higher Circles, which deals mainly with the techniques and history of elite policy-making.

<sup>40</sup>E. Digby Baltzell, Philadelphia Gentlemen: The Making of a National Upper Class (Glencoe, Ill.: The Free Press, 1958) and The Protestant Establishment (New York: Random Press, 1964).

After positing the presence of a governing class, he discusses the historical development and moral implications of such a class. His central thesis is that:

in order for an upper class to maintain a continuity of power and authority, especially in an opportunistic and mobile society such as ours, its membership must, in the long run, be representative of the composition of society as a whole.<sup>41</sup>

He then proceeds to argue that a humane and cogent element of the aristocratic establishment has always fought for admission of new blood but that they have often been opposed by a short-sighted, racist "caste" dedicated to selfishly preserving their personal power and possessions.<sup>42</sup>

Others have undertaken positional analyses in particular institutional sectors. Adolf A. Berle, Jr., Gabriel Kolko, and John Kenneth Galbraith, for example, have all written extensively concerning the concentration of power in corporate institutional positions.<sup>43</sup>

The findings of research employing the structural approach to power--and particularly the reputational and positional methods--have frequently been used to make

<sup>41</sup>Ibid., p. xi.

<sup>42</sup>See especially The Protestant Establishment for this argument.

<sup>43</sup>See Adolf A. Berle, Jr., Power Without Property (New York: Harcourt, Brace, and World, 1959), Gabriel Kolko, Wealth and Power in America (New York: Praeger, 1962), and John Kenneth Galbraith, The New Industrial State (Boston: Houghton-Mifflin, 1969).

normative judgments about the desirability of elite rule. This ideological aspect of the structural approach is often referred to in social science literature as "elitism." Interestingly enough, some "elitists" who express normative opinions have advocated rule by elites while others have objected to it. In this regard, elitism is, at best, an ambiguous term. Both prescriptions are based upon research which finds: (1) that elites rule and, (2) that:

the masses are inherently incompetent . . . [T]hey are, at best, pliable, inert stuff or, at worst, aroused, unruly creatures possessing an insatiable proclivity to undermine both culture and liberty.<sup>44</sup>

The two elite views diverge in their estimates of the reform potential of the masses and the quality of elite rule. Advocates of elite rule contend that the nature of the masses is fixed and immutable; to attempt to reform them can only result in arousing their worst destructive tendencies. Advocates of elite rule have included such "aristocratic" founders of "classic elite theory" as Gaetano Mosca and Vilfredo Pareto.<sup>45</sup> Elite rule is advocated by such

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<sup>44</sup>Peter Bachrach, The Theory of Democratic Elitism (Boston: Little, Brown, 1967), p. 2.

<sup>45</sup>See Gaetano Mosca, The Ruling Class, ed. A. Livingston (New York: McGraw-Hill, 1939) and Vilfredo Pareto, The Mind and Society (New York: Harcourt Brace, 1935) and Sociological Writings, ed. S. E. Finer (London: Pall Mall Press, 1966). Americans like Alexander Hamilton also shared this aristocratic view. See Hamilton's comments in Max Farrand, ed., The Records of the Federal Convention of 1787, Vol. 1 (New Haven: Yale University Press, 1937), pp. 299-300.

aristocrats as the only way to preserve culture, society, and liberal values in the face of mass threats to them.

Opponents of elite rule, on the other hand, have argued that elites rule irresponsibly on behalf of themselves while the masses are a product of elite oppression and exploitation. To preserve democracy and individual dignity, the masses must be freed from this oppression; they should be allowed and encouraged to develop into capable, responsible, self-governing citizens. This view has largely been the product of such current American academicians and writers as C. Wright Mills, Ferdinand Lundberg, and Peter Bachrach.<sup>46</sup>

The fact that the structural approach has been associated with "elitist" ideology, however, should not prevent its valid use in non-ideological empirical research. The reputational and positional methods do not presuppose the existence of any particular power structure; and they will not, in a value-free research, lead to the discovery of a unified elite power structure if one does not exist. In fact, where leadership is factionalized or where power resources are widely dispersed, these methods can provide evidence of polyarchy, factionalism, or some other pattern of power.<sup>47</sup> Suzanne Keller, for example, begins with a

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<sup>46</sup>See Mills, The Power Elite; Ferdinand Lundberg, The Rich and the Super-Rich (New York: Lyle Stuart, 1968); and Bachrach, The Theory of Democratic Elitism.

<sup>47</sup>The precise degree of resource concentration needed before it can be argued that an elite exists, is, of course,

structural definition of power and finds evidence of a polyarchical national power structure.<sup>48</sup> She contends that a ruling class may have at one time dominated America (and other nations as well), but that modern industrial societies are so complex and diverse as to largely prohibit control by any single elite class. Rather, she suggests, society is today dominated by a series of "strategic elites" each controlling its own sector. She especially finds the contention of elite unity difficult to substantiate based on the evidence presently available in social science literature.

Nevertheless, it is clear that the structural approach has become closely linked in the literature to the convergence power-structure model.<sup>49</sup> This model derives from the writings of such ideological "elitists" as C. Wright Mills, Ferdinand Lundberg, and G. William Domhoff. It holds, generally, that power resources are concentrated in the hands of a relatively small, homogeneous, institutionally-based, unified (coordinated) elite who exercise control over

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an important theoretical problem which is addressed more fully below.

<sup>48</sup>Suzanne Keller, Beyond the Ruling Class.

<sup>49</sup>When, for example, John Walton classified thirty-three studies dealing with fifty-five communities as to whether they used an "elitist" approach (reputational method) or a "pluralist" approach (decisional method), he found that the former tended to identify "pyramidal" (converged) power structures while the latter identified mostly "factional" (polyarchical) power structures. See John Walton, "Substance and Artifact: The Current Status of Research on Community Power Structures," American Journal of Sociology, Vol. 72 (January, 1966), pp. 430-438.



a wide range of issues and institutions. This model of power is examined in greater detail below.

The Decisional Approach:

The decisional approach to the study of power is conceptually, methodologically, and ideologically a product of political scientists. It is especially the result of case research conducted at the community level in America. Like the structural approach, the approach itself is relatively value-free. But in combination with several other value-loaded concepts, it too becomes part of an ideological "theory" of American politics--namely, "pluralism." The non-ideological aspects of the approach are discussed first.

Conceptually, power is defined as actual control exercised in overt relationships between individuals and/or groups. In the words of Dahl, "'A' has power over 'B' to the extent that he can get 'B' to do something that 'B' would not otherwise do."<sup>50</sup> Potential for control cannot be relationally demonstrated; by definition, therefore, it is not power. Nelson Polsby makes this point clearly when he asks:

How can one tell, after all, whether or not an actor is powerful unless some sequence of events, competently

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<sup>50</sup>Robert A. Dahl, "The Concept of Power," Behavioral Science, Vol. 2 (1957), pp. 201-215 as reprinted in Roderick Bell, David V. Edwards, and R. Harrison Wagner, eds., Political Power: A Reader in Theory and Research (New York: The Free Press, 1969), p. 80.

observed, attests to his power? If these events take place, then the power of the actor is not "potential" but actual. If these events do not occur, then what grounds have we to suppose that the actor is powerful?<sup>51</sup>

A second notion of the decisional approach is that a causal relationship must be demonstrated between the actor exercising power ("A") and the recipient ("B"). That is, there must be a time lag between the initiation of action by "A" and the response by "B". In addition, the "direction" of the power must be truly from "A" to "B," and the "base" of "A's" power over "B" must be sufficient to have caused "B's" response.<sup>52</sup>

"Bases of power" (resources) are conceived to be many and varied. They include such items as control of money and credit; control of jobs; control of information, knowledge, and the media; social standing, popularity, esteem, and charisma; officiality and authority; ethnic solidarity; the right to vote; and personal energy and motivation.<sup>53</sup> These resources are unequally distributed. Dahl writes that "individuals best off in their access to one kind of resource are often badly off with respect to many other

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<sup>51</sup>Nelson Polsby, Community Power and Political Theory (New Haven: Yale University Press, 1963), p. 60.

<sup>52</sup>See Dahl, "The Concept of Power," in Bell, Political Power, pp. 81-83.

<sup>53</sup>Polsby, Community Power and Political Theory, pp. 119-120.

resources."<sup>54</sup> No one source of power, it is argued, is so important that it can dominate all others; and virtually everyone has access to at least some power resources. Further, "in the political system of today, inequalities in political resources . . . tend to be noncumulative. The political system . . . is one of dispersed inequalities."<sup>55</sup>

Even after the resources upon which power rests are identified and their distributions empirically described, one must also examine the "scope," "domain," "skill," "motivation," and "costs" of the exercise of the resource before relative power can be assessed.<sup>56</sup> Scope refers to the range of activities over which a particular actor's power extends; domain refers to all those over whom the actor has power; skill and motivation refer to the actor's ability to use the power base he has; and costs refer to the actor's willingness to expend his resources in obtaining compliance with his wishes.

A further notion is that power is "tied to issues, and issues can be fleeting or persistent, provoking coalitions among interested groups and citizens ranging in their

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<sup>54</sup>Dahl, Who Governs? (New Haven: Yale University Press, 1961), p. 228.

<sup>55</sup>Ibid., p. 85 (emphasis is Dahl's).

<sup>56</sup>Dahl, "Power," in the International Encyclopedia of Social Science, pp. 408-9.

duration from momentary to semi-permanent."<sup>57</sup> Thus, "the researcher should pick issue-areas as the focus of his study . . . , he should be able to defend these issue-areas as very important in the life of the community," and he "should study the outcomes of actual decisions within the community."<sup>58</sup> The type of "issue-areas" and "decision situations" studied by political scientists are those involving "political power, since the political arena is the sector of community life in which large groups in the community make demands upon one another and collectively determine policy outcomes."<sup>59</sup>

These conceptual notions about power have led Dahl and others to the study of "important" decisions concerning particular political issues made by governmental officials and politically attentive citizens ("homo politicus") in such public arenas as legislatures, city councils, commissions, boards, etc.<sup>60</sup> The few decision-makers in this

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<sup>57</sup>Polsby, Community Power and Political Theory, p. 117.

<sup>58</sup>Ibid., pp. 120-121. Although these quotations were written to apply only to the study of community power, the several works of political scientists which deal with power at the national level also tend to take political decision-making, at least implicitly, as the focus of their concept of power. See Dahl, Democracy in the United States, 2nd ed., (Chicago: Rand McNally, 1972)--originally published in 1967 under the title Pluralist Democracy in the United States--and Polyarchy (New Haven: Yale University Press, 1971).

<sup>59</sup>Polsby, Community Power and Political Theory, pp. 4-5.

<sup>60</sup>Peter Bachrach makes this point in The Theory of Democratic Elitism (Boston: Little, Brown, 1967), p. 73.

"political strata" (1/2 of 1% of the population of New Haven) act on behalf of a large apolitical strata composed of individuals ("homo civicus") who are largely content with society and their apathetic role in it.<sup>61</sup> However, "homo civicus"--civic man--holds resources (like the ballot) which may, in times of threat to his "primary goal" of attaining a comfortable living, be directed toward effecting political change. Thus it is argued that one limitation on the "scope" of the power held by political decision-makers is the "potential power" of the masses.<sup>62</sup>

The noncumulative nature of power resources is thought to prevent the concentration of power; this, in turn, leads to multiple elites with each centered around a different, competing power base. The varied nature and wide dispersal of resources encourages the formation of new power centers based on new, uncontrolled resources whenever a group is dissatisfied with governmental actions or policy. Coupled with the temporary nature of decision-events, this promotes the creation of temporary coalitions for the purpose of affecting particular decision outcomes. Dahl explains the dynamics of this model:

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<sup>61</sup>Dahl, Who Governs?, pp. 223-225.

<sup>62</sup>It is somewhat ironic, perhaps, that Dahl relies on the notion of "potential power" within the masses for a partial explanation of stability in America. As was noted above, this notion is specifically rejected with respect to potential elite power.

The existence of multiple centers of power, none of which is wholly sovereign, will help (may indeed be necessary) to tame power, to secure the consent of all, and to settle conflicts peacefully. Because one center of power is set against another, power itself will be tamed, civilized, while coercion, the most evil form of power, will be reduced to a minimum. Because even minorities are provided with opportunities to veto solutions they strongly object to, the consent of all will be won in the long run. Because constant negotiations among different centers of power are necessary in order to make decisions, citizens and leaders will perfect the precious art of dealing peacefully with their conflicts, and not merely to the benefit of one partisan but to the mutual benefit of all the parties to a conflict.<sup>63</sup>

From the above it is clear that the decisional approach to the study of power in political science has taken on substantial ideological baggage. Combined with such popular political concepts as "group theory," "process theory," and a "practical" adaptation of Classical Liberalism, the decisional approach becomes a central component of "pluralism."<sup>64</sup> Jack L. Walker writes that:

The principal aim of the critics whose views we are examining [pluralists] has been to make the theory of democracy more realistic, to bring it into closer correspondence with empirical reality. They are convinced that the classical theory does not account for "much of the real machinery" by which the system

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<sup>63</sup>Robert A. Dahl, Pluralist Democracy in the United States, p. 24. This view of the structure of power has also been referred to as a "multi-influence" hypothesis, a "factional" system, or a "polyarchical" structure.

<sup>64</sup>For a discussion of these concepts see: David B. Truman, The Governmental Process: Political Interests and Public Opinion (New York: Knopf, 1951); Joseph Schumpeter, Capitalism, Socialism, and Democracy (New York: Harper and Row, 1962).

operates, and they have expressed concern about the possible spread among Americans of either unwarranted anxiety or cynical disillusionment over the condition of democracy.<sup>65</sup>

Pluralists recognize that an elite few, not the masses, rule in America and that "it is difficult--nay impossible--to see how it could be otherwise in large political systems."<sup>66</sup> But it is the view and the hope of pluralists that the existence of multiple elites will produce interaction--bargaining, accommodation, and compromise--among elites which will, in turn, prevent them from abusing power and preserve individual freedom and dignity. Thus, individual participation in decision-making is practically replaced by competition among and decision-making by elites. The masses may potentially (and sometimes do) affect elite composition and policy-making through their votes; but pluralists realistically acknowledge that the vast majority of the American people do not normally participate in political affairs.

Critics, however, have been quick to point out that pluralism should not be taken as an identical replacement

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<sup>65</sup>Jack L. Walker, "A Critique of the Elitist Theory of Democracy," American Political Science Review, Vol. 60 (1966), pp. 285-295 as reprinted in Peter Bachrach (ed.), Political Elites in a Democracy (New York: Atherton Press, 1971), p. 74.

<sup>66</sup>Robert Dahl, "Power, Pluralists, and Democracy: A Modest Proposal," a paper delivered at the 1964 annual meeting of the American Political Science Association, Chicago, p. 3 as quoted in Bachrach, The Theory of Democratic Elitism, p. 7.

for classical democratic theory. Thomas R. Dye and L.

Harmon Zeigler observe that:

modern pluralism diverges sharply from classic democracy, which emphasizes as a primary value the personal development that would result from the individual's actively participating in decisions that affect his life.<sup>67</sup>

And Jack Walker writes that:

It is difficult to transform a utopian theory into a realistic account of political behavior without changing the theory's normative foundations. By revising the theory to bring it into closer correspondence with reality, the [pluralist] theorists have transformed democracy from a radical into a conservative political doctrine, stripping away its distinctive emphasis on popular political activity so that it no longer serves as a set of ideals toward which society ought to be striving.<sup>68</sup>

Despite these departures from classical democratic theory, however, whenever pluralist researchers have found a polyarchical power structure, they have also found--at least to their satisfaction--a "democratic" one. Dahl, for example, writes that:

In everyday language, New Haven is a democratic political community. Most of its adult residents are legally entitled to vote. A relatively high proportion do vote. Their votes are, by and large, honestly counted. . . . Elections are free from violence and, for all practical purposes, free from fraud. Two political parties contest elections, offer rival slates of

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<sup>67</sup>Thomas R. Dye and L. Harmon Zeigler, The Irony of Democracy, 2nd ed. (Belmont, Calif.: Duxbury, 1972), p. 16.

<sup>68</sup>Walker, "A Critique of the Elitist Theory of Democracy," in Bachrach, Political Elites in a Democracy, p. 74.



candidates, and thus present the voters with at least some outward show of choice.<sup>69</sup>

It would be difficult to argue with David Ricci when he begrudgingly concludes that:

pluralist theory was an outstanding intellectual and ideological achievement. Its conceptualization was brilliant, conceding the obvious discrepancies between reality and original Liberal beliefs about the nature of man and politics. Its net result was to construct a new rationale for Liberalism, to fashion a new-Liberalism. It was a comforting view of American politics at least to most political scientists. For its analytical ingenuity and its support of traditional beliefs, it fully deserved the honors it received.<sup>70</sup>

It should, of course, be pointed out that the decisional approach would not theoretically or conceptually prevent a unified elite from being discovered if one which met the methodological requirements of this view were to exist. Polsby writes that:

the presumption among pluralists researchers [is] that the same pattern of decision-making is highly unlikely to reproduce itself in more than one issue-area. In this expectation, pluralist researchers have seldom been disappointed. They recognize, however, the possibility that the same pattern could reproduce itself in more than one issue-area. . . . The presumptions that

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<sup>69</sup>Dahl, Who Governs?, pp. 3-4.

<sup>70</sup>David Ricci, Community Power and Democratic Theory, p. 158. Ricci also implies that the narrow definition of power given by pluralists has had one other important but largely unnoticed effect on political science as a discipline. It appears that the limiting of the study of power to particular "political" (governmental) decisions and events coupled with the widespread acceptance of pluralism has resulted in a defacto definition of what is "political" in this discipline and what is not--regardless of whether one accepts pluralist "theory" or not.

a power elite is unlikely does not, in other words, prevent finding one.<sup>71</sup>

For a "power elite" to exist, then, the same small group must be discovered making a large portion of all the decisions studied.<sup>72</sup>

Thus, despite the fact that this approach is capable of leading to the discovery of a unified elite if one exists, it is clear that the decisional approach is more closely identified with the polyarchical model of power. This model derives from the works and ideology of such "pluralists" as Robert Dahl and Nelson Polsby; it holds, generally, that

<sup>71</sup>Polsby, Community Power and Political Theory, pp. 113-114.

<sup>72</sup>Peter Bachrach and Morton Baratz, in a critique of these requirements, suggest that powerful people might not participate in making the particular decisions being studied if they have already successfully prevented the really "important" decisions from reaching the public arena (hence, the decisions studied by pluralists may include only unimportant or "safe" questions of policy). See Peter Bachrach and Morton S. Baratz, "The Two Faces of Power," American Political Science Review, Vol. 56 (December, 1962), pp. 947-952 and by the same authors, "Decisions and Nondecisions: An Analytical Framework," Ibid., Vol. 57 (September, 1963), pp. 632-642. They define a "non-decision" as "the extent . . . and manner in which the status quo oriented persons and groups influence those community values and those political institutions . . . which tend to limit the scope of actual decision-making to 'safe' issues." ("Two Faces of Power," p. 952). This line of reasoning, however, is dismissed by pluralists as being "spook-like," unresearchable, and an exercise of the "principle of infinite regress." See: Polsby, Community Power and Political Theory, p. 34; Robert A. Dahl, "Critique of the Ruling Elite Model," pp. 463-469; and Nelson Polsby, "How to Study Community Power: The Pluralist Alternative," Journal of Politics, Vol. 22 (August, 1960), p. 476 for an explanation of these criticisms of nondecisions.

power-resources are widely dispersed among several sets of heterogeneous, conflicting, specialized (factional) elites who limit their exercise of power to a narrow range of issues and institutions. The polyarchical model will be discussed in greater detail below.

Summary:

Social scientists are of widely differing minds as to how to define and study power. The structural approach differs from the decisional approach in several specific and important areas including: (1) power as an attribute of institutional positions or roles in society versus power as personal and individualistic, (2) power as structured and institutionalized versus power as temporary and relational, (3) power as the potential for control in society versus power as actual control, (4) power-resources as cumulative and translatable versus power-resources as noncumulative and nontranslatable, and (5) the study of power throughout society versus the study of power in specific decisional events in the political arena.

Despite these areas of disagreement over power, however, most social scientists appear to share a considerable amount of common ground. Peter Bachrach, for example, writes that

In spite of the wide divergence in approach and methodological techniques in the investigation of the decision-making process in communal and organizational

life in the United States, scholars--political scientists and sociologists alike--conclude that "the key political, economic, and social decisions" are made by "tiny minorities." In large part, this phenomenon is attributable to the politically unorganized, fragmented, and passive state of the great majority of the people. "Mass democracy has, through its very nature," observed E. H. Carr, "thrown up on all sides specialized groups of leaders--that are sometimes called elites. . . ." And according to Robert Dahl, "It is difficult--nay impossible--to see how it could be otherwise in large political systems."<sup>73</sup>

Thus the social inevitability of elites has been widely accepted among social scientists.

Of course, social scientists do differ over the nature of this elite. "Elitists," on the one hand, argue that power-resources are concentrated in the hands of a relatively small, homogeneous, institutionally-based, unified (coordinated) elite who exercise control over a wide range of issues and institutions. "Pluralists," on the other hand, argue that power-resources are dispersed among several sets of heterogeneous, conflicting, specialized (factional) elites who limit their exercise of control to a narrow range of issues and institutions within their own sectors of society. But these are largely empirical, researchable differences concerning the exact nature of the few who rule rather than a basic conceptual difference over whether government is by the few or the many. As Harold

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<sup>73</sup>Peter Bachrach, The Theory of Democratic Elitism, p. 7.

Lasswell concluded, "Government is always by the few, whether in the name of the few, the one or the many."<sup>74</sup>

There also appears to be basic agreement among scholars that power-resources are of key importance in understanding the nature and structure of power. The structural approach, on the one hand, holds that power is the potential for control which results from holding authoritative positions in institutions possessing important power-resources. The decisional approach, on the other hand, recognizes that the holding of adequate power-resources is a prerequisite to the exercise of actual control--i.e., power. In the jargon of social science methodology, the possession of power-resources is a sufficient condition for one to be said to have power when viewed from the structural perspective; but possession of such resources is only a necessary--not a sufficient--condition when viewed from the decisional perspective. Thus, empirical knowledge of power-resource distributions is important to both approaches in understanding power. Both the nature of elites and the distribution of power-resources in America will be examined in detail below.

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<sup>74</sup>Harold Lasswell and Daniel Lerner, The Comparative Study of Elites (Stanford: Stanford University Press, 1952), p. 7.

## CHAPTER II

### A NATIONAL INSTITUTIONAL ELITE: CONCEPTUALIZATION AND OPERATIONALIZATION

Much of the social science literature dealing with elites and power-resources in America has been speculative, anecdotal, tautological, and/or moralistic with few serious attempts to build sound theories based on operational concepts, testable hypotheses, and reliable data. Instead of systematic empirical research, many "social scientists" have been content to report high-society gossip, moralize over the abuses of power, or engage in polemics over the premises of elitism versus pluralism.

In contrast, the purposes of this paper are first to develop a systematic definition and identification of a national institutional elite in America; and then to examine its nature--including its relative size, the degree of concentration of power-resources in it, and the extent of formal and informal coordination among its members. The premises upon which the study rests stem from sociology and the structural-positional approach; they are as follows:

- (1) Elites are a functional necessity in an organized society. Institutions are established to order the relationships among men so as to make life

predictable. In all institutions, only a few--the elite--make decisions for the many.

- (2) Power is the means by which order in society is established. As Robert Lynd writes, "Organized power exists--always and everywhere, in societies large or small, primitive or modern--because it performs the necessary function of establishing and maintaining the version of order by which a given society in a given time and place lives."<sup>1</sup>
- (3) In modern, complex societies, power is institutionalized. The elite are the individuals who occupy positions of authority in power-holding institutions. Authority is the expected and legitimate ability to control the offices, resources, policies, personnel, and other means of institutions. C. Wright Mills writes, of the elite, that "they occupy the strategic command posts of the social structure, in which are now centered the effective means of the power and the wealth and the celebrity which they enjoy."<sup>2</sup>
- (4) Power is the potential for control in society which results from the holding of authoritative positions in societal institutions. As Mills explains, the elite "are in positions to make decisions having major consequences. Whether they do or do not make such decisions is less important than the fact that they do occupy such pivotal positions: their failure to act, their failure to make decisions, is itself an act that is often of greater consequence than the decisions they do make."<sup>3</sup>

These premises are intended to establish a base upon which the difficult problems of systematic elite research may rest. It is not the intent here to join in the debate over

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<sup>1</sup>Robert Lynd, "Power in American Society as Resource and Problem," in Arthur Kornhauser, ed., Problems of Power in American Society (Detroit: Wayne State Press, 1957), pp. 3-4.

<sup>2</sup>C. Wright Mills, The Power Elite (New York: Oxford University Press, 1956), p. 4.

<sup>3</sup>Ibid.

the virtues of elitism versus pluralism. Indeed, it shall be argued that the premises which have been accepted here will not predetermine, in value-free research, the findings of this study.

#### Identifying the Elite:

Turning to the difficult problem of defining and identifying a national institutional elite, the elite shall be defined here as the universe of individuals who occupy major positions of authority in top-ranked (resource-holding) institutions within the main sectors of society. This general definition has been operationalized below in three separate procedural steps. The first consisted of identifying the nine main sectors of American society; the second located top-ranked institutions within each of the sectors; and the third specified the major positions of authority in each institution and identifies the individuals who held the positions. Each of these operations was carried out for three different year periods--1970, 1955, and 1940. The 1955 and 1940 data sets will be used only sparingly throughout this paper to provide a time series perspective; the main data set for the study, however, is that for 1970.

#### The Main Sectors:

Step one in the operationalization process involved the identification of the main institutional sectors in American society; a total of nine sectors was selected for



examination in this study. Four of the sectors were business oriented; they included the following: (1) industrial corporations; (2) commercial banking companies; (3) life insurance companies; and (4) a composite sector composed of transportation, utility, and communications companies. Three additional sectors could generally be classed as public interest sectors; they included: (5) higher education, (6) private foundations, and (7) civic and cultural associations respectively. The eighth sector was the federal government and the final sector consisted of the nation's military establishment. These nine sectors can be compared to the several sectors examined in other studies of elites; Table 1 reports the sectors identified and examined by five previous writers.<sup>4</sup>

All nine of the sectors included in this study are "institutional" in nature. "Categoric" type elite sectors-- like "the very rich," "celebrities," and "intellectuals"-- were excluded because they are based on individual attributes rather than institutional positions.<sup>5</sup> Of the institutional

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<sup>4</sup>The works reviewed were: C. Wright Mills, The Power Elite; Suzanne Keller, Beyond the Ruling Class (New York: Random House, 1963); John Porter, The Vertical Mosaic (Toronto, Canada: University of Toronto Press, 1965); G. William Domhoff, Who Rules America? (Englewood Cliffs, N.J.: Prentice-Hall, 1970); and Allen H. Barton, "The Limits of Consensus Among American Leaders" (unpublished paper presented at the 1973 Annual Meeting of the Southwestern Social Science Association, Dallas, Texas).

<sup>5</sup>To be sure, institutional elites are likely to also be categoric elites and vice versa. But to mix the two concepts is to introduce confusion into the study. It will be

TABLE 1

A COMPARISON OF SECTORS USED BY SEVERAL EARLIER WRITERS ON ELITES

Writer and Study	General Sector Categories-- * indicates separate sector			
	Business & Professional	Government, Politics, & Military	Public Interest	Miscellaneous
C. Wright Mills, <u>The Power Elite.</u>	*Chief Corporate Executives & The Corporate Rich	*Political Directorate *Military & Warlords		*Metro 400 *Celebrities *The Very Rich
Suzanne Keller, <u>Beyond the Ruling Class.</u>	*Business *Scientific	*Political *Higher Civil Service *Diplomatic *Military	*Intellectuals *Journalists	
John Porter, <u>The Vertical Mosaic.</u> This is a study of Canadian Elites	*Corporations *Banks *Insurance	*Federal Executive & Cabinet *Fed. Judiciary *Fed. Bureaucracy *Prov. Premiers	*Education *Intellectuals *Religion *Mass Media	*Labour
G. William Domhoff, <u>Who Rules America? &amp; The Higher Circles.</u>	*Industrial Corporations *Insurance *Banks *Transportation *Utilities *Merchandising	*Federal Executive, Congress, Judiciary, & Bureaucracy *Political Parties	*Universities *Civic & Cultural Affairs *Foundations	*Corporate Rich
Allen H. Barton, "The Limits of Consensus Among American Leaders."	*Financial, Non-financial, & Major Stock Holders in Business	*Federal Executive, Congress, Bureaucracy, & Political Appointees	*Voluntary Associations, & Political Parties (not separated)	*Labour

sectors listed in Table 1, all but four were included in this study, as either a separate sector or as part of a sector. The four excluded were religion, labor, unions, political parties, and the mass media.

Religion was excluded on the largely judgmental basis that religious leaders and institutions do not play a major role in shaping important national level policies in America.<sup>6</sup> In the case of labor unions, it was decided to adopt Suzanne Keller's reasoning in excluding them; she writes that she

expressly omitted the elite of American labor leaders because . . . this elite is still too dependent on the business elite whose actions trigger its own reactions. Currently, the labor elite has the power to criticize and oppose rather than to initiate economic policies. Potentially one of the strategic elites, it is currently a segmental elite.<sup>7</sup>

Political parties were also excluded in this study as an independent sector. Many important politicians and partisan leaders had already been included in the study through the governmental sector; as a result, an additional, separate

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argued here that categoric elites must ultimately be institutionally based to be important.

<sup>6</sup>M. Herbert Danzger has written extensively concerning the religious elite in America. He suggests that their lack of national influence is due to their inability to gain access to the channels of communication. See his "Community Power Structure: Problems and Continuities," American Sociological Review, Vol. 29 (October, 1964), pp. 707-717.

<sup>7</sup>Suzanne Keller, Beyond the Ruling Class (New York: Random House, 1963), p. 306.

sector for parties was considered unwarranted. The case for the exclusion of the mass media is, perhaps, more difficult to make. However, it will be argued here that the media is a unique institutional type due to the independent nature of journalists themselves. To be sure, the power resources of the media are--like all power resources--tied to an institutional base; but authoritative decisions concerning the prime resource--i.e., journalistic content--are not generally made by those who own or manage a particular media company but rather by those who hold editorial positions in its news departments. This presented a theoretical and operational problem which was overcome for this particular study by simply omitting the sector.<sup>8</sup>

#### Top-Ranked Institutions:

The second procedural step in operationalizing the concept of a national elite consisted of selecting "top-ranked institutions" within each of the study's main sectors. The criteria for selection, of course, varied according to the particular power-resource(s) from which the sector's institutional elites derived their power.

For the four business sectors, firm assets were used as the selection criteria. The goal was to select the

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<sup>8</sup>Additional research and conceptualization needs to be carried out in this sector so that it may be included in future research.

minimum number of institutions in each sector whose combined assets would account for control of roughly half of the total assets of all firms in the sector. This goal was accomplished for 1970 by first ranking each institution according to its assets, then by computing the percentage of the sector's total assets which were controlled by each of the firms, and finally by accumulating percentages from the top institutions down until firms accounting for fifty percent of each sector's total assets were included. (See the Appendix for asset figures and sources).

It was found that in 1970, 100 industrial corporations controlled 51 percent of all corporate assets, that 50 commercial banking companies controlled 48 percent of all banking assets, that 18 life insurance companies controlled 68 percent of all insurance assets (seven controlled 50 percent), and that 33 transportation-utility-communications companies controlled 50 percent of all "service" company assets.<sup>9</sup> The same absolute number of firms in each sector were also used in the 1955 and 1940 data sets in order to preserve comparable sector sizes. See Table 2, below, for comparable 1955 and 1940 figures.)

In the three public interest sectors--education, private foundations, and civic and cultural affairs--a mixture

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<sup>9</sup>The number of life insurance companies was increased from 7 to 18 in order to increase the number of individuals in the sector.

of economic and prestige criteria was used to identify top institutions. In education, it was found that a ranking of prestigious colleges and universities by a sample of "upper class" individuals as reported in an article by Gene R. Hawes entitled "The Colleges of America's Upper Classes" coincided roughly with a list of the 12 top private universities which, in 1970, controlled 50 percent of all private endowment funds in higher education.<sup>10</sup> As a result, these 12 universities--Harvard, Yale, Chicago, Stanford, Columbia, M.I.T., Cornell, Northwester, Princeton, Johns Hopkins, Pennsylvania, and Dartmouth--were defined as the top-ranking educational institutions. To be sure, many large state universities--like the University of California at Berkeley and The University of Michigan--are regarded by many as being academically equal or even superior to these private universities; but for the purposes of this paper, "top-ranking" was taken to mean elite prestige and financial support. The same 12 universities were also used for 1955; the sector was omitted in 1940 due to lack of data.

Assets alone formed the criteria for selecting top-ranked private foundations. According to the latest edition of the Foundation Directory, the 12 largest controlled almost

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<sup>10</sup>The article is in Education in America: The Educational Supplement of the Saturday Review, Volume II (New York: APNO Press, 1971), pp. 246-249. The endowment figures are from The World Almanac, 1970 (New York: Newspaper Enterprise Association, 1969), pp. 754-755.

40 percent of all foundation assets in 1967.<sup>11</sup> The sector was omitted in 1955 and 1940 due to a lack of information. (See The Appendix for asset figures.)

The most difficult sector in which to objectively identify top institutions was civic and cultural affairs. The power resources which make these institutions important are extremely intangible and subjective in nature; "prestige," "cultural excellence," "civic contributions," and so forth are criteria almost impossible to operationalize and/or rank. It was decided, therefore, to subjectively include 13 nationally important and well-known institutions without trying to rank them or argue that they constitute the universe of top civic and cultural organizations. Those organizations included for 1970 and 1955 are the Metropolitan Museum of Art, the J.F.K. Center for the Performing Arts (not in 1955 data set), the National Gallery of Art, the Smithsonian Institution, the Museum of Modern Art, the Metropolitan Opera Guild, the American Red Cross, the Brookings Institution, the American Assembly, the Council on Foreign Relations, the Committee for Economic Development, the National Industrial Conference Board, and the National Association of Manufacturers. Again, lack of data prevented this sector from being included in 1940.

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<sup>11</sup>The Foundation Directory, 3rd ed. (New York: Russell Sage Foundation, 1967), p. 16.

In the governmental and military sectors, all major administrative divisions and agencies were selected as top institutions. Included in the governmental sector were the main administrative agencies, offices, and establishments of the federal bureaucracy; the Congress; and the Supreme Court. The military sector included the civilian and military components of the Department of the Army, Navy and Marines, and Air Force. Both sectors are complete for all three years. (The Appendix lists all of the institutions included in this study for all three years.)

#### Major Positions of Authority:

The third procedural operation involved identifying the "major positions of authority" in each of the institutions included in the study and the individuals who held them. Authority has been defined above as legalized power-- i.e., the expected and legitimate ability to control the offices, resources, policies, and means of institutions. Thus, the goal in this step was to identify the minimum number of positions in each institution which were required to authoritatively direct the institution.

For the business and public interest sectors, major positions of authority are defined as those held by an institution's president (or chancellor) and by its board of directors (or board of trustees). In the governmental sector, major positions were defined as those held by: the



President and Vice-President of the United States, top level executives in the Executive Office of the President, and important personal advisors to the President; Secretaries, Undersecretaries, and Assistant Secretaries of all cabinet level departments; Congressional leaders including presiding officers, majority and minority party leaders, and party whips in both chambers; committee chairmen and ranking minority members of all standing congressional committees; and all Supreme Court Justices. In the military sector, major positions of authority included the Secretaries, Undersecretaries, Assistant Secretaries and all four-star military officers of the Army, Navy and Marines, and Air Force.

The individuals who occupied these positions were identified using a number of standard sources or through personal correspondence.<sup>12</sup> The number of positions identified in each sector for 1970 are as follows:<sup>13</sup>

1. Industrial Corporations	1,515
2. Commercial Banking Companies	1,314
3. Life Insurance Companies	362
4. Transportation-Utilities-Communications	476
5. Higher Education	472
6. Private Foundations	120
7. Civic and Cultural Affairs	445
8. The Federal Government	450
9. The Military	<u>59</u>
TOTAL	5,092

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<sup>12</sup>See Appendix for Sources.

<sup>13</sup>See Table 4 for 1955 and 1940 figures.

Biographical Information:

The three procedural steps just described operationalized the concept of a national institutional elite for 1970, 1955, and 1940. One additional procedural operation was performed, however, in order to secure biographical information for a stratified random sample of elite individuals from each of the three data sets. For 1970 and 1955, the samples consisted of 50 individuals drawn randomly from each sector; for 1940, the sample consisted of 25 individuals from each sector. Thus, the total sample size for 1970 was 450 (50 individuals in 9 sectors); for 1955, it was 400 (50 individuals in 8 sectors); and for 1940, it was 150 (25 individuals in 6 sectors). The biographical data--including occupational, educational, and social information--were obtained from Marquis Who's Who in America; this information is examined in the following chapters.<sup>14</sup>

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<sup>14</sup>Who's Who in America (New York: Marquis' Who's Who Incorporated). Who's Who is published biannually. It should be noted that the information in Who's Who is supplied by the individuals themselves. This may lead to the omission or editing of important bits of information. Governmental--and particularly elected governmental--officials may, for example, under report their activities in the business world.

### CHAPTER III

#### THE NATURE OF THE ELITE: CONVERGENCE OR POLYARCHY?

Few social scientists dispute the fact that a minority of the individuals in a society--an elite--makes decisions for the majority. They do disagree, however over the nature of this elite. Is the elite relatively large or small? To what degree are power-resources concentrated in the elite? Are elite individuals highly "specialized" with each holding only one authoritative position at a time, or are there a large number of coordinated, cross-sectional, multiple position-holders? Are these individuals representative of the public at large, or are there particular occupational, educational, and social similarities which characterize membership in the elite?

Some social scientists argue that power is widely dispersed among several sets of conflicting, heterogeneous, specialized (factional) elites who limit their exercise of power to a narrow range of issues and institutions in their own separate sectors of society. Robert Dahl explains the dynamics of this polyarchical power-structure model:

The existence of multiple centers of power, none of which is wholly sovereign, will help . . . to tame, power, to secure the consent of all, and to settle conflicts peacefully. Because one center of power is set against another, power itself will be tamed, civilized, controlled, and limited to decent human purposes, while coercion, the most evil form of power, will be reduced to a minimum. Because even minorities are provided with opportunities to veto solutions they strongly object to, the consent of all will be won in the long run. Because constant negotiations among different centers of power are necessary in order to make decisions, citizens and leaders will perfect the precious art of dealing peacefully with their conflicts, and not merely to the benefit of one partisan but to the mutual benefit of all the parties to the conflict.<sup>1</sup>

Others posit a convergence power-structure model and hold that power is concentrated in the hands of a relatively small, homogeneous, unified (coordinated) elite who exercise control over a wide range of issues, institutions and across sector boundaries. These writers argue that there are a whole series of social, psychological, educational, occupational, life-style, and economic linkages which work in concert to produce elite coordination and unity. C. Wright Mills, for example, writes that:

In so far as the power elite is composed of men of similar origin and education, in so far as their careers and their styles of life are similar, there are psychological and social bases for their unity, resting upon the fact that they are of similar social type and leading to the fact of their easy intermingling. This kind of unity reaches its frothier apex in the sharing of that prestige that is to be had in the world of celebrity; it achieves a more solid culmination in the fact of the interchangeability of positions with and between

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<sup>1</sup>Robert A. Dahl, Pluralist Democracy in The United States (Chicago: Rand McNally, 1967), p. 24.

the three dominant institutional orders [corporations, government, and the military].<sup>2</sup>

G. William Domhoff is even more explicit about the nature of the linkages.<sup>3</sup> He argues that:

there is a national upper class made up of rich businessmen and their families, an "American business aristocracy," as Baltzell calls it. Although this national upper class has its ethnic, religious, and new-rich--old rich antagonisms, it is nonetheless closely knit by such institutions as stock ownership, trust funds, intermarriages, private schools, exclusive city clubs, exclusive summer resorts, debutante parties, foxhunts, charity drives, and, last but not least, corporation boards. This information, when fully elaborated, can be considered a direct answer to sociologist William Kornhauser, who claims that one of the main weaknesses of Mills' work was that he did not sufficiently demonstrate the interaction of the various cliques making up his "power elite." If such a weakness existed, it was in Mills' presentation and not in a lack of such interaction.<sup>4</sup>

Unfortunately, the arguments made by these two models are extremely difficult to test empirically. One reason is that the question of which model--the convergence or the polyarchical--most accurately describes the power-structure in America is not a simple dichotomous one. Rather, these two models--and their corresponding views of the elite--represent opposite, ideal-type extremes on a continuum of

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<sup>2</sup>C. Wright Mills, The Power Elite (New York: Oxford University Press, 1956), p. 19.

<sup>3</sup>G. William Domhoff, Who Rules America? (Englewood Cliffs, N.J.: Prentice-Hall, 1967) and The Higher Circles (New York: Random House, 1970).

<sup>4</sup>Domhoff, Who Rules America?, p. 4: Kornhauser's critique of Mills occurred in "Power Elite or Veto Groups?" in Culture and Social Character, edited by S. M. Lipset and Leo Lowenthal (New York: The Free Press, 1961), p. 265.

possible power-structure models. Thus, the degree concentration, homogeneity, and coordination which is required for support of one or the other of the models becomes largely judgmental. In reality, of course, some hybrid of the two models should probably be expected.

A second reason is that the several linkages described by proponents of the convergence model vary widely as to their nature and reputed effects on elite individuals. In some cases, the linkages are subject to easy definition and straight-forward operationalization; and their effects are clear and measurable. In other cases, however, the linkages may be extremely "soft," and their precise definition, operationalization, and/or measurement may be impossible. Further, there appears to be a kind of implied Gestalt effect which is supposedly generated by an interaction of the linkages acting together on the individual--i.e., the total impact of the several linkages acting together is greater than would be the sum total of their separate impacts with each acting independently.

Despite these difficulties, however, it is necessary to begin dealing empirically with questions concerning the nature of the elite--and specifically, its size, the degree of power-resource concentration in it, and the extent of formal and informal coordination among its members. Accordingly, this chapter describes the size of and the degree of resource concentration in the national institutional elite

operationalized above. Two categories of linkages have been selected for examination in this paper. The first type is formal-positional in nature and is dealt with in Chapter 4. The second type is personal-biographical and is the subject of Chapter 5.<sup>5</sup>

The Size of and Concentration of Resources in The Elite:

The operationalization process described above in Chapter 2 resulted in the identification of 3943 individuals in 1970 who together held 5092 positions in 356 top American institutions. This universe of national institutional elites authoritatively directed organizations which controlled: roughly one-half of the economic assets of the United States; the most prestigious and wealthy colleges and universities, foundations, and civic and cultural associations; and the federal government and the military establishment. Similar aggregate figures were also found for 1955 and 1940.

These initial aggregate figures are important in themselves. Here, for the first time, are explicit, quantitative indicators of the size of the elite and the degree to

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<sup>5</sup>It should be noted that because no attempt has been made to deal with all of the linkages suggested above or even to definitively deal with the particular ones selected for study in this paper, then the conclusions contained in the last chapter shall necessarily be limited. Other researchers, using a different operationalization of the elite and of the linkages, could very easily reach different conclusions. But if the structure of power is ever to be empirically researched, then these limitations must be endured--at least in the beginning.

which power-resources are concentrated in it. These measures (and those reported below) are, of course, the direct result of the specific operations described above. Nevertheless, they do reveal that the relative size of the elite is small--less than two one-thousandths of one percent (.002%) of the population of America.<sup>6</sup> In addition, the degree of power-resource concentration appears to be high. An examination of specific sectors is necessary, however, to determine the uniformity of resource concentrations within the several sectors.

The business sectors offer the most direct, quantitative evidence of resource concentration in the hands of a small number of individuals and institutions. As shown in Table 2, there were 202,920 industrial corporations in the United States in 1970 with total assets of \$572.9 billion. The 100 largest, however, controlled 50.6 percent (\$290.1 billion) of these assets. What is more important, this is an increase in the percentage of total sector assets controlled by the top 100 as compared with 1955 (42.9 percent) and 1940 (43.6 percent).

In banking, there were 13,511 commercial banks in 1970 with assets of \$576.3 billion; the top 50 controlled 48.3

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<sup>6</sup>It is considerably larger, however, than the "one to two hundred top-influentials" reported by Floyd Hunter in his book, Top Leadership, U.S.A. (Chapel Hill, N.C.: The University of North Carolina Press, 1959), p. 176.



TABLE 2

A SUMMARY OF BUSINESS SECTORS DATA--1970, 1955, 1940  
(All Money Figures are in Billions of Dollars)

Business Sector	Year		
	1970	1955	1940
<b><u>Industrial Corporations:</u></b>			
Total Number of Corps. in U.S. <sup>a</sup>	202,920	124,199	80,198
Total Assets of Corps. in U.S. <sup>a</sup>	\$572.9	\$201.4	\$60.5
Assets Controlled by Top 100 <sup>b</sup>	\$290.1	\$86.4	\$26.4
% of Assets Controlled by 100	50.6%	42.9%	43.6%
No. of Top Positions in 100 <sup>c</sup>	1515	1419	1379
<b><u>Commercial Banking Companies:</u></b>			
Total Number of Banks in U.S. <sup>a</sup>	13,511	14,308	15,076
Total Assets of Banks in U.S. <sup>a</sup>	\$576.3	\$229.6	\$79.7
Assets Controlled by Top 50 <sup>b</sup>	\$278.6	\$81.2	\$35.2
% of Assets Controlled by 50	48.3%	35.4%	44.2%
No. of Top Positions in 50 <sup>c</sup>	1314	1156	965
<b><u>Life Insurance Companies:</u></b>			
Total Number of Ins. Cos. in U.S. <sup>a</sup>	1,790	1,107	444
Total Assets of Ins. Cos. in U.S. <sup>a</sup>	\$207.3	\$90.4	\$30.8
Assets Controlled by Top 18 <sup>b</sup>	\$141.1	\$68.8	\$25.6
% of Assets Controlled by Top 18	68.1%	76.1%	83.1%
No. of Top Positions in 18 <sup>c</sup>	476	448	427
<b><u>Transportation-Utilities-Comm.:</u></b>			
Total Number of TUC Cos. in U.S. <sup>a</sup>	67,311	29,794	18,680
Total Assets of TUC Cos. in U.S. <sup>a</sup>	\$261.0	\$106.4	\$56.8
Assets Controlled by Top 33 <sup>b</sup>	\$130.5	\$48.9	\$31.4
% of Assets Controlled by 33	50.0%	46.0%	55.3%
No. of Top Positions in 33 <sup>c</sup>	476	448	427

## Sources:

<sup>a</sup> Statistical Abstract of the U.S., 1970; and Historical Statistics of the United States.

<sup>b</sup> Fortune Magazine (May, 1971 and 1956); and Moody's Manuals (1941).

<sup>c</sup> Moody's Manuals (1971, 1956, and 1941).

percent (\$278.6 billion) of those assets. Even among the top 50, however, assets were unequally distributed: the 9 largest banks accounted for 25 percent of the sector's total assets, and the top 25 banks accounted for 40 percent of the total assets. The pattern over time is less clear than for corporations, but the banking sector was still more concentrated in 1970 than in either 1955 or 1940.

Eighteen life insurance companies controlled two-thirds of all life insurance assets in the nation (7 controlled 50 percent). These 18 companies--headed by Prudential and Metropolitan which by themselves controlled 27.5 percent of the sector's total assets--rank at the top of 1,790 insurance companies. As a sector, insurance was more concentrated in 1955, when 18 firms controlled 76.1 percent of the sector's assets, than in 1970, and in 1940, when 18 firms controlled 83.1 percent of sector assets.

Concentration in the composite transportation-utilities-communications sector was also substantial. Thirty-three firms stood at the top of 67,000 corporations in 1970 and controlled 50 percent of the sector's composite assets. The sector was dominated by American Telephone and Telegraph--the largest corporation in the United States by size of total firm assets with \$49.6 billion. Asset concentration was greater in the TUC sector in 1970 (50 percent by the top 33) than in 1955 (46 percent), but it was less than

for 1940 when the top 33 accounted for 55 percent of the sector's assets.

Power also appears to be concentrated in the public interest sectors. However, because the type of power-resources examined in locating top institutions varied by sector, it is more difficult to demonstrate this concentration than it was with the economically based business sectors. In education, for example, two power bases--elite prestige and private endowment assets--were examined. The first is, at best, a vague intangible indicator while the second is more firm and quantifiable. In this case, the two measures supported each other. Both indicated that the 12 colleges and universities included in the data base did constitute top educational institutions and that power deriving from these two sources was indeed concentrated in them.

According to the Foundation Directory, "one of the outstanding facts concerning foundation assets is the degree of concentration in a small number of large organizations."<sup>7</sup> This observation is borne out by the data in this study. The 6,803 foundations listed in the Directory controlled \$19.9 billion in assets; the top 12, however, controlled almost 40 percent of those assets. Unfortunately, the Directory does not identify foundations by size of assets

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<sup>7</sup>The Foundation Directory, p. 16.

below the top 12, nor was the Directory published for 1955 or 1940.

Top institutions in the civic and cultural affairs sector were identified by qualitative evaluation of well-known organizations. It would be difficult, therefore, to argue that concentration of power-resources in the 13 organizations selected for this study has been empirically shown. It can be argued, however, that the organizations included here do represent a good core sample of the universe of top civic and cultural organizations in America.

The long-run trend in government in the United States has been toward increasing centralization of power and authority.<sup>8</sup> Prior to World War II the federal government accounted for only about one-third of all government taxing and spending; in 1970, however, the federal government accounted for over 60 percent.<sup>9</sup> Further, spending by all levels of government accounted for 32 percent of the 1970 gross national product; and the federal government alone accounted for 21 percent of it.

Top positions of power in the military are restricted to a relatively few high ranking civilian officials and military officers. In addition to the 17 Secretaries,

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<sup>8</sup>Frederick C. Mosher and Orville F. Poland, The Costs of American Government (New York: Dodd, Mead, 1964).

<sup>9</sup>Statistical Abstract of the United States (1972), pp. 411-412.

Undersecretaries, and Assistant Secretaries of the Army, Navy and Marines, and Air Force in 1970, there were 18 Army Generals, 13 Air Force Generals, 9 Admirals, and 2 Marine Generals for a total of 59 individuals. Among them, they direct the largest military establishment in the world.<sup>10</sup>

Summary:

The general conclusions to be reached from the data reported in this chapter are: (1) that the size of the national institutional elite operationalized here is relatively small, (2) that power-resources are, for the most part, highly concentrated in this elite, and (3) that the trend is toward increased concentration of these resources over time.

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<sup>10</sup>Ultimate authority over the military, of course, rests with the President and, to a lesser extent, with Congress. Practically, however, these top military individuals are responsible for the defense establishment.

## CHAPTER IV

### INTERLOCKING AMONG ELITES: UNITY OR SPECIALIZATION?

This chapter deals with a formal-positional type of linkage which was described by Mills as "the interchangeability of positions within and between the . . . dominant orders."<sup>1</sup> This particular type of linkage has widespread currency in power elite literature where it is most often referred to as the concept of interlocking directorates.

Gabriel Kolko explains that:

Interlocking directorates, whereby a director of one corporation also sits on the board of one or more other corporations, are a key device for concentrating corporate power. . . .<sup>2</sup>

For the purpose of this study, the notion of interlocking has been broadened somewhat; specifically, it refers here to any situation in which an individual simultaneously holds positions of authority in two or more institutions

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<sup>1</sup>C. Wright Mills, The Power Elite (New York: Oxford University Press, 1956), p. 19.

<sup>2</sup>Gabriel Kolko, Wealth and Power in America (New York: Praeger, 1962), p. 57. See also Domhoff, Who Rules America?, p. 27 and Mills, The Power Elite, p. 19 for discussions of this notion.

regardless of their sector type. Thus, an individual who simultaneously sits on the board of directors of General Motors and on the board of trustees of Harvard University will be considered interlocked.

Interlocking may be classified into two general types:

(1) horizontal interlocking where the institutions involved are of the same relative size or prestige--e.g., between two "top-ranked" institutions as defined in this study--and (2) vertical interlocking where the institutions are of different sizes or importance--e.g., between a top-ranked institution and a smaller one.<sup>3</sup> The data which have been collected in this study will allow only horizontal interlocking to be examined. In the discussion which follows, therefore, the term interlocking or interlocker refers only to horizontally interlocked positions or individuals while specialized or specialist refers to both specialized and vertically interlocked positions or individuals. This is necessary because the data can identify only horizontal interlockers.

It would be difficult to over-estimate the importance and centrality of interlocking directorates to an investigation of elite linkages. As noted above, some linkage types suggested by elitists as contributing to elite unity leave much to speculation and assertion. But interlocking does not;

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<sup>3</sup>Kolko implies that interlocking among any of the top 200 corporations is horizontal while between these and smaller corporations is vertical.

as a concept, it is easily defined, conceptualized, operationalized, and tested.

In addition, it is directly related to the most basic concept in the study--i.e., power. Where power is defined as the potential for control in society which results from the occupation of authoritative positions in resource-holding institutions, interlocking examines the pattern of multiple position-holding. Thus, the only way that power can be formally--i.e., legally--concentrated, according to this definition, is through interlocking directorates. If it could be shown, for example, that a large proportion of the "authoritative positions" identified in this study were held by a relatively few multiple position-holding individuals--and especially if they held positions in different sectors at the same time--then this would constitute the most direct evidence of power convergence and elite unity that could possibly be obtained. On the other hand, if it were shown that specialization characterizes these elite positions and individuals then this would constitute evidence of polyarchy and elite factionalism.

Thirty-seven percent of all top positions in 1970 were interlocked with other top positions. (See Table 3.) However, only 18.8 percent of the individuals who occupy these positions of authority in America are "interlockers"--i.e., hold more than one top position. The reason why almost forty percent of the positions are interlocked, but only



TABLE 3

INTERLOCKING AND SPECIALIZATION AMONG TOP INSTITUTIONAL  
POSITIONS AND INDIVIDUALS FOR 1970, 1955, AND 1940.

	No. of Positions	% of Posi- tions	No. of Ind- ividuals	% of Ind- ividuals
<b>1970:</b>				
<b>Total</b>	5092	100.0%	3943	100.0%
<b>Specialized*</b>	3200	62.8	3200	81.2
<b>Interlocked**</b>	1892	37.2	743	18.8
<b>Number of Interlocks:</b>				
Two	954	18.7	477	12.1
Three	525	10.3	175	4.4
Four	244	4.7	61	1.5
Five	90	1.7	18	.5
Six	30	.6	5	.1
Seven	49	1.0	7	.2
<b>1955:</b>				
<b>Total</b>	4466	100.0%	3608	100.0%
<b>Specialized</b>	3032	67.9	3032	84.0
<b>Interlocked</b>	1434	32.1	578	16.0
<b>Number of Interlocks:</b>				
Two	816	18.3	408	11.3
Three	312	7.0	104	2.9
Four	136	3.0	34	.9
Five	120	2.7	24	.7
Six	36	.8	6	.2
Seven	14	.3	2	.0
<b>1940:</b>				
<b>Total</b>	3514	100.0%	2931	100.0%
<b>Specialized</b>	2519	71.7	2519	85.9
<b>Interlocked</b>	995	28.2	412	14.1
<b>Number of Interlocks:</b>				
Two	588	16.7	294	10.0
Three	240	6.8	80	2.7
Four	116	3.3	29	1.0
Five	25	.7	5	.2
Six	12	.4	2	.1
Seven	14	.4	2	.1

\* Includes specialized and vertically interlocked positions and inds.

\*\* Includes only horizontally interlocked positions and individuals

about twenty percent of the individuals hold more than one position is that some individuals hold three, four, five, or more positions--they are, in other words, "multiple interlockers."

It is, perhaps, somewhat surprising that only about one in five individuals who have been defined here as constituting a universe of national elites hold more than one top position at a time. It should be recalled, however, that these figures deal only with horizontal interlocking. Kolko explains that it is, after all, "much more likely that a giant corporation would attempt to influence a corporation smaller than itself than one larger or the same size."<sup>4</sup> Nevertheless, most of the individuals in this study turn out to be what were defined as "specialists."

On the other hand, however, almost four out of every ten positions in top institutions are occupied by individuals who hold at least one other top institutional position. Thus, interlocking--and especially multiple interlocking--

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<sup>4</sup>See Kolko, Wealth and Power in America, p. 57. Indeed, a stratified random sample of "specialists" as defined here was examined (N=90) to determine what percentage were really specialists (held only one position in any institution) and what percentage were "vertical interlockers." Of the sample of 90, only 27 (30 percent) were really specialists. Another 49 (60 percent) were interlocked with at least one business firm and the remaining 14 (10 percent) were interlocked with a public interest institution. Of the 30 percent who were "specialists," 22 percent were accounted for by government and the military--in these two sectors, all of the individuals sampled were specialists.

represents an important method for the concentration of power and authority from several positions in the hands of a single individual. Even more important, perhaps, is the fact that interlocking appears to be increasing over time--and multiple interlocking in particular is increasing. (See Table 3.)

It is interesting to note that the individuals who hold the largest number of authoritative positions in this study--i.e., high multiple interlockers--do, indeed, turn out to be important power-holders in America. The abbreviated biographies included below for each of the multiple interlockers in this study who held six or more top positions illustrate this point clearly:

Lloyd DeWitt Brace. Former Chairman of the Board and now a director of First National Boston Corporation. He is also a Director of General Motors, American Telephone and Telegraph, and John Hancock Life Insurance Company.

Ralph Manning Brown, Jr. Chairman of the Board of New York Life Insurance Company. He is a Director of Union Carbide, Morgan Guaranty Trust Company, Union Camp Corporation, The Great Atlantic & Pacific Tea Company, and Avon Products. He is also a Trustee of the Sloan Foundation, Princeton University, and a Director of the Metropolitan Museum of Art.

Clarence Douglas Dillon. Chairman of the Board of Dillon, Reed & Company and member of the New York Stock Exchange. He was formerly Secretary of the Treasury and Undersecretary of State. He is presently a Director of Chase Manhattan Bank, the Rockefeller Foundation, the Metropolitan Museum of Art, Brookings Institution, the American Assembly, and he is a Trustee of Harvard University. He is a large political contributor, and his wife is a Trustee of the Museum of Modern Art.

G. Keith Funston. Former President of the New York Stock Exchange. He is Chairman of the Board of Olin Mathieson Corporation and is a Director of Illinois Central Industries, Chemical Bank of New York, IBM, Metropolitan Life Insurance Company, Ford Motor Company, Republic Steel, and AVCO Corporation. He is a Trustee of Trinity College, and is a Director of the American Cancer Society. He was Chairman of the War Production Board during World War II.

Harold Holmes Helm. Chairman of Board of Chemical Bank of New York. He is a Director of Equitable Life Insurance Company, McDonald Douglas Aircraft Corporation, Uniroyal, Western Electric, Bethlehem Steel, Colgate-Palmolive Company, F. W. Woolworth Company, Cumm Engine Company, and Lord and Taylor. He is also a Trustee of Princeton University, and a Director of the National Industrial Conference Board and the Woodrow Wilson Foundation.

William McChesney Martin, Jr. Chairman of the Federal Reserve Board. He is a former Chairman of the Export-Import Bank, Governor of the New York Stock Exchange, and Partner of A. G. Edwards & Sons. He is presently a Director of IBM, Caterpillar Tractor, and General Foods. He is also a Trustee of the American Red Cross, Johns Hopkins, and Yale University.

John Anton Mayer. Chairman of the Board of Mellon National Bank and Trust Company. He is also a Director of Aluminum Company of America, the Bank of London, General Motors, Armco Steel, Monsanto, and is a Trustee of the University of Pennsylvania and Carnegie Institute.

Richard S. Perkins. President and Chairman of the Board of Perkin-Elmer Corporation. He is a Director of Ford Motor Company, International Telephone and Telegraph, New York Life Insurance Company, Consolidated Edison, Southern Pacific Railroad, Aetna Life Insurance Company, New England Telephone Company, U.S. Trust Company of New York; and he is a Trustee of the Metropolitan Museum of Art, the American Museum of Natural History, and Pratt Institute.

Haakon Ingolf Romnes. Chairman and Chief Executive Officer of American Telephone and Telegraph. He is a Director of United Steel, Chemical Bank of New York, Colgate-Palmolive Company, Cities Service Oil Company, and Mutual Life Insurance Company. He is a Trustee of M.I.T., the National Safety Council, and the Committee

For Economic Development; he is also active in the United Negro College Fund, the Urban League, and the Salvation Army.

Robert Baylor Semple. President of Wyandotte Chemical Corporation. He is a Director of Michigan Consolidated Gas Company, American Natural Gas Company, National Bank of Detroit, Atlantic Mutual Insurance Company, Centennial Insurance Company, and Chrysler Corporation. He is also on the Board of the Council for Economic Development, the National Industrial Conference Board, M.I.T., Harper Hospital, and is the President of the Detroit Symphony Orchestra.

Cyrus R. Vance. Senior Partner of Simpson, Thacher & Bartlett. He is a Director of Pan-American World Airways, Aetna Life Insurance Company, IBM, Council on Foreign Relations, the American Red Cross, the Rockefeller Foundation; and he is a Trustee of the University of Chicago. He was the Chief U.S. Negotiator at the Paris Peace Talks on Viet Nam under President Lyndon Johnson.

John Harris Ward. Chairman of the Board and Chief Executive Officer of Commonwealth Edison Company. He is a Director of Nortrust Company, International Harvester, Union Carbide, New York Life Insurance Company, and the Urban League. He is also a Trustee of the University of Chicago and the Museum of Science and Industry.

In addition to these individuals, several family groups whose members together hold a large number of authoritative positions also emerge from the data on interlocking. The Rockefeller family together accounted for 18 top positions in 1970. The duPonts accounted for eleven, the Houghtons for eight, and the Fords and Mellons for seven each.<sup>5</sup>

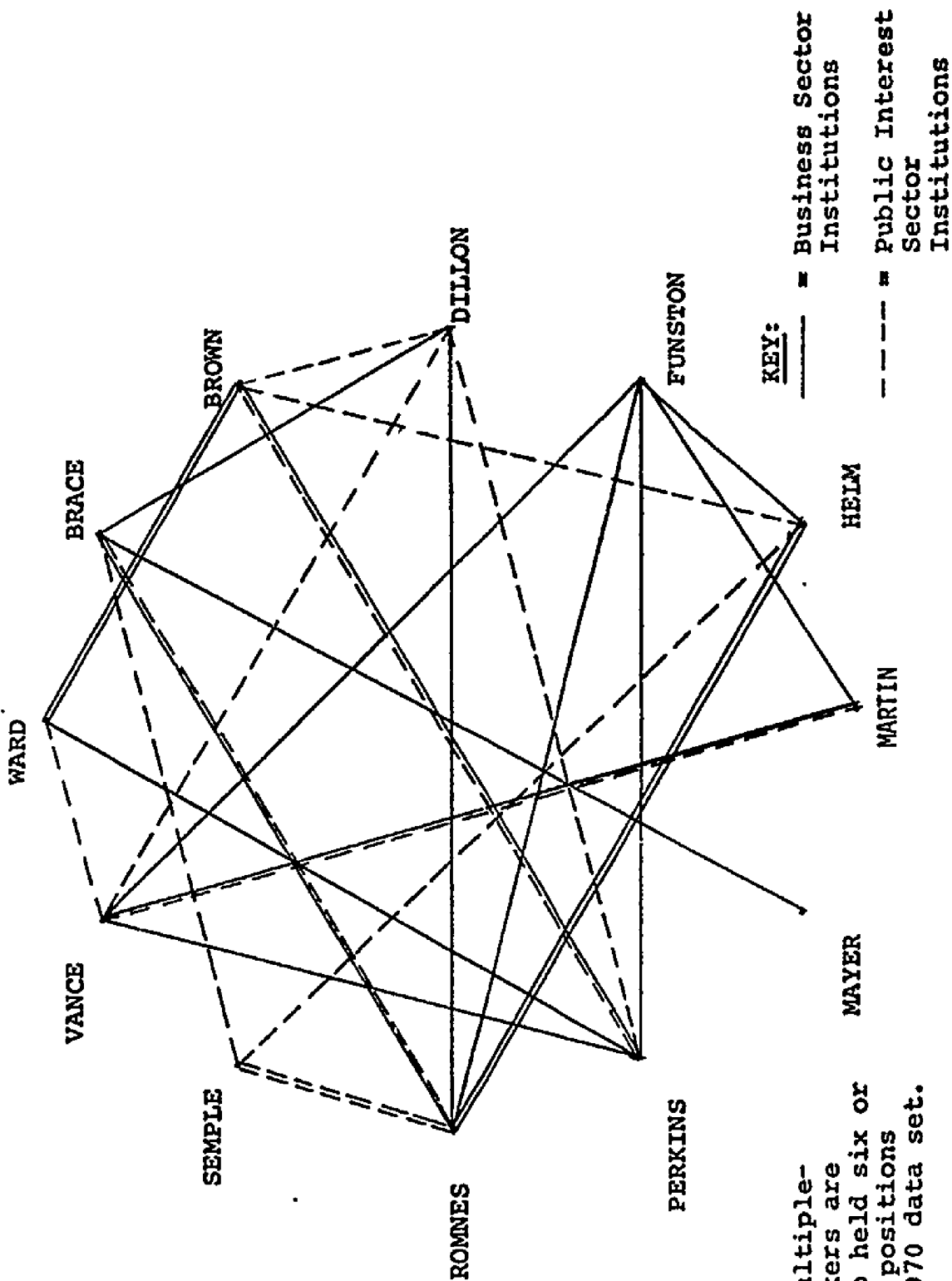
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<sup>5</sup>No systematic attempt was made to examine these or other family groupings. Interlocking, here, is treated only as an individual attribute. See Ferdinand Lundberg, America's Sixty Families (New York: Vanguard Press, 1937) and The Rich and The Super-Rich (New York: Lyle Stuart, 1968) for an extended discussion of the importance of these and other family groupings.

By any criteria whatsoever, these are important figures in America. The fact that men of this caliber emerged at the top of this investigation of positional interlocking lends some face validity to the assertion that interlocking is a source of power and authority in society. In fact, a brief examination of just the 12 biographies above shows that these are not only men of power, but that they are also tightly interlocked among themselves! Figure 1 is a sociometric type diagram in which a line connecting two individuals indicates that they serve on the board of a common institution. It is clear from this diagram that these particular top multiple-interlockers are well-known to each other by virtue of concurrent service on the boards of the same business and public interest institutions.

Despite this impressive evidence of power concentration through multiple position-holding, however, the fact remains that under twenty percent of all elite individuals in the study held more than one position. The remainder were "specialists." Thus, the data suggest that there exists an "elite of elites" based on interlocking. This distinction between interlockers and specialists among the elite is examined further below. (See Chapter 5.)

FIGURE 1  
THE PATTERN OF INTERLOCKING AMONG "TOP" MULTIPLE INTERLOCKERS IN 1970\*



\*"Top" multiple-interlockers are those who held six or more top positions in the 1970 data set.

Interlocking and Specialization  
By Sector:

It is clear from Table 4 that the same general pattern of increased interlocking over time which was observed in the aggregate data is also present for the individual sectors.<sup>6</sup> Perhaps the most important observation to be made, however, is that government and the military have never interlocked to any important extent with any other sectors. This is, of course, consistent with the notion of "conflict of interest" which holds that governmental or military officials should not simultaneously occupy important positions in business. The small proportion of positions reported interlocked in these two sectors represent either internal interlocking-- e.g., an official holds two or more governmental positions-- or interlocking with public interest sector institutions. It may be, of course, that governmental and military officials hold positions in the business world before and/or after their governmental service; this possibility will be examined further in the next chapter. Nevertheless, in terms of concurrent interlocking, the government and the military exist separate from the other sectors.

Turning to an examination of the other seven sectors, it is clear that positional interlocking occurs to a fairly

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<sup>6</sup>Except for an unimportant pattern in government, all sectors had more positions interlocked in 1970 than in 1940; and in most sectors, the increase was linear.



TABLE 4

## INTERLOCKING AND SPECIALIZATION OF POSITIONS BY SECTOR--1970, 1955, &amp; 1940

	Corps.	Banks	Insur.	TUC	Civic	Found.	Educ.	Govt.	Mil.
<u>1970:</u>									
Total Positions	1515	1314	362	476	445	120	472	450	59
Number Specialized	904	905	199	270	264	70	272	420	56
Number Interlocked	611	409	163	206	181	50	200	30	3
% Interlocked	40.7%	31.1%	45.0%	43.3%	40.7%	41.7%	42.4%	6.6%	5.1%
<u>1955:</u>									
Total Positions	1419	1156	349	448	415	---	348	283	47
Number Specialized	950	801	231	308	241	---	262	271	43
Number Interlocked	469	356	188	140	174	---	86	12	4
% Interlocked	33.1%	30.8%	33.8%	31.3%	41.9%	---	24.7%	4.2%	8.5%
<u>1940:</u>									
Total Positions	1379	965	333	427	---	---	---	383	31
Number Specialized	1001	665	221	266	---	---	---	317	31
Number Interlocked	378	270	112	161	---	---	---	66	0
% Interlocked	27.4%	28.0%	33.6%	37.7%	---	---	---	8.6%	0.0%

\*Data not collected for this sector in this year.

high degree in all of them. Only in the banking sector are under 40 percent of the positions interlocked. (31 percent are interlocked.) The remaining sectors demonstrate an amazingly consistent percentage of interlocked positions-- insurance is high with 45 percent followed by TUC with 43 percent, education and foundations with 42 percent each, and corporations and civic associations with 42 percent each, and corporations and civic associations with 41 percent each.

The pattern of interlocking among top institutions is revealed in Tables 5, 6, and 7. Table 5 reports the absolute number of interlocks which exist among institutions from different sectors.<sup>7</sup> This table confirms several of the patterns observed in Table 4. Clearly the governmental and military sectors do not interlock extensively either internally or with other sectors. It is also apparent that banks do not interlock with other banks, insurance companies do not interlock with other insurance companies, and TUC companies tend not to interlock with other TUC companies. This pattern is consistent with provisions of the 1914 Clayton Act which, in part, prohibits interlocking between companies that deal in the same goods and services.<sup>8</sup> Unfortunately,

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<sup>7</sup>Recall that because each position may be interlocked with one, two, three, or more other positions, the number of interlocks in a sector may exceed the number of interlocked positions in that sector.

<sup>8</sup>These provisions have, of course, been amended, augmented, and/or circumvented by many later federal statutes and corporate practices. But the general prohibition against

TABLE 5  
THE PATTERN OF INTERLOCKING AMONG INSTITUTIONS BY SECTOR--1970\*

	BUSINESS SECTORS			PUBLIC INTEREST SECTORS			GOV. & MIL.		
	Corps.	Banks	Insur.	TUC	Civic	Found.	Educ.	Govt.	Mil.
Military	1	0	0	0	0	0	1	1	0
Government	3	0	0	0	23	0	5	4	
Education	135	81	25	40	55	23	14		
Foundations	27	15	14	19	23	0			
Civic and Cultural	107	60	29	37	30				
TUC	107	115	51	11					
Insurance	94	87	0						
Banking	335	5							
Corporations	310								

\* All figures are numbers of "interlocks;" because each institutional position may be interlocked with one, two, three, or more other positions, the total number of interlocks is greater than the number of positions interlocked as reported in Table 4.

however, the absolute figures contained in this table are not sensitive enough to reveal any but the grossest of interlock patterns.

A more sensitive indicator of the tendency to interlock of institutions in a particular sector is reported in Table 6. Theoretically, every position included in this study could be interlocked with one, two, three or more other positions. Practically, of course, this does not happen; but by dividing the number of interlocks which do occur in each sector by the total number of positions in that sector, an index-like figure can be obtained. This "index" can vary, theoretically, from zero to some large figure approaching infinity. The expected range, however, is much more narrow. As reported in Table 6, the range in this study was from a low of .05 for the military--showing almost no tendency to interlock--to a high of 1.01 for foundations--showing a relatively high probability of interlocking. This index, when juxtaposed with Table 4 which shows the percent of the positions in a sector interlocked, yields some interesting information about the nature of multiple position-holding in the sectors. Table 4, for example, shows that both foundations and corporations have about 41 percent of their positions interlocked. Table 6, however, indicates that

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this type of interlocking does, obviously, still hold. See Clair Wilcox, Public Policies Toward Business, 4th ed. (Homewood, Ill.: Richard D. Irwin, 1971), p. 70.

TABLE 6

## INDEX OF TENDENCY TO INTERLOCK FOR EACH SECTOR--1970

Sector	Number of A="Inter- locks" per Sector*	Total No. B=of Posi- tions per Sector**	Index: $C = \frac{A}{B}$
Corporations	1119	1515	.74
Banking	698	1314	.53
Insurance	300	362	.83
Trans-Util-Comm.	380	476	.80
Civic & Cultural	364	445	.82
Foundations	121	120	1.01***
Education	379	472	.80
Government	36	450	.08
Military	3	59	.05

\*From Table 5

\*\*From Table 4

\*\*\*Index values may exceed one. Each position in a sector may be interlocked with one, two, three, or more other positions. The minimum index value is zero (.00).

foundations have considerably higher tendency to interlock (index = 1.01) than do corporations (index = .74). This indicates that positions in foundations are more likely to be held by multiple-interlockers (three or more positions) than are positions in corporations. The other four sectors whose interlocked positions were just over 40 percent of their total positions had interlock tendency values which fell in between the values for foundations and corporations; their index values were .83 for insurance and .80 for TUC, civic associations, and education. Banking, which had only 31 percent of its positions interlocked, had the lowest business sector interlocking index (.53). Government and the military continued to demonstrate a marked lack of tendency to interlock with index values of .08 and .05 respectively.

Returning to a consideration of the pattern of interlocking, Table 7 reports the percentage of interlocks in each sector which are with a position in a different sector or with a position within the same sector. The business sectors show a marked consistency in their patterns of interlocking. Approximately three-quarters of the interlocks in each of these sectors are with other business sector positions; the remaining quarter tends, in all cases, to be with public interest sector institutions. It turns out, however, that these interlocks between the business and public interest sectors are considerably more important when examined from the point of view of the public interest sectors. Interlocks

TABLE 7

PERCENT OF INTRASECTOR AND INTERSECTOR INTERLOCKS BY SECTOR--1970  
(Figures are in percentages)

	BUSINESS SECTORS				PUBLIC INTEREST SECTORS				GOV. & MIL.	
	Corps.	Banks	Insur.	TUC	Civic	Found.	Educ.	Govt.	Mil.	
Military	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	2.8%	0.0%	
Government	0.3	0.0	0.0	0.0	6.3	0.0	1.3	11.1	33.3	
Total Gov. & Mil.	0.4	0.0	0.0	0.0	6.3	0.0	1.6	13.9	33.3	
Education	12.1	11.6	8.3	10.5	15.1	19.0	3.7	13.9	33.3	
Foundations	2.4	2.1	4.7	5.0	6.3	0.0	6.1	0.0	0.0	
Civic & Cultural	9.6	8.6	9.7	9.7	8.2	19.0	14.5	63.9	0.0	
Total Public Interest	24.1	22.3	22.7	25.3	29.7	38.0	24.3	77.8	33.0	
TUC	9.5	16.5	17.0	2.9	10.2	15.7	10.5	0.0	0.0	
Insurance	8.4	12.5	0.0	13.4	8.0	11.6	6.6	0.0	0.0	
Banking	29.9	0.1	29.0	30.3	16.5	12.4	21.4	0.0	0.0	
Corporations	27.7	48.0	31.3	28.1	29.4	22.3	35.6	8.3	33.3	
Total Business	75.5	77.7	77.3	74.7	64.0	62.0	74.1	8.3	33.3	
Number of Interlocks	N=1119	N=698	N=300	N=380	N=364	N=121	N=379	N=36	N=3*	

\*Too small to be meaningful.

with business positions account for between 62 and 74 percent of the public interest sectors' interlocks--universities have 74 percent of their interlocks with business firms, civic associations have 64 percent, and foundations have 62 percent. Public interest institutions also appear to interlock with each other to some extent, but only across sector lines. There is little intra-sector interlocking among universities, civic associations, or foundations. To the extent that government interlocks at all, it is with civic associations--and most of those are statutorily proscribed interlocks with such quasi-governmental organizations as the Smithsonian Institution, the National Gallery of Art, and the John F. Kennedy Center for the Performing Arts.

Summary:

It appears from the findings in this chapter that interlocking is indeed an important linkage among elites; but only among elites in the seven business and public interest sectors. Interlocking does not constitute an important linkage for either the government or the military; nor is interlocking uniformly important for all elite individuals. Power from holding multiple positions appears to be concentrated in the hands of an "elite-of elites"--i.e., in the 20 percent of the universe of elite individuals who hold 40 percent of the authoritative positions in America. Thus, the findings on interlocking alone are insufficient to allow any



final conclusions concerning the unity or factionalism of elites to be drawn. As a result, the next chapter is intended to examine several additional types of linkages which are reputed, in elite literature, to work in concert with interlocking to produce elite convergence and unity.

## CHAPTER V

### OCCUPATIONAL, EDUCATION, AND SOCIAL LINKAGES AMONG ELITES

In addition to the formal system of linkages provided by interlocking directorates, proponents of the convergence model argue that there are also a whole series of informal linkages among elites which promote homogeneity. C. Wright Mills, for example, writes of similar "origins," "education," "careers," and "styles of life" among elites which lead to "psychological and social bases for their unity."<sup>1</sup> G. William Domhoff argues that elite institutions and practices such as class intermarriage, attendance at private prep schools and elite colleges, and social and charity activities provide ties which bind the elite into a "governing class."<sup>2</sup> The purpose of this chapter is to examine as fully and systematically as possible the following personal-biographical information collected for the samples

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<sup>1</sup>C. Wright Mills, The Power Elite (New York: Oxford University Press, 1956), p. 19.

<sup>2</sup>G. William Domhoff, Who Rules America? (Englewood Cliffs, N.J.: Prentice-Hall, 1967), and The Higher Circles (New York: Random House, 1970).

of elite individuals described earlier in Chapter 2: (1) recruitment patterns and career experiences, (2) educational levels and college types, and (3) social club memberships.<sup>3</sup>

Thus, if it could be shown that the elite individuals in this study were of very similar occupational experiences and training, similar educational backgrounds, and similar--or even common--club memberships then this would constitute evidence of homogeneity among elites. If, on the other hand, the elite were shown to be of widely differentiated backgrounds with separate recruitment patterns, educational and occupational experience, and social associations, then this would constitute evidence of heterogeneity.

Recruitment Patterns and Career Experiences of Elites:

An examination of the recruitment patterns and career experiences of top elites in this study as reported in Table 8 shows the principal lifetime occupational activity--i.e., "the primary recruitment sector"--of individuals at the top of each main sector of society. Operationally, an individual's recruitment sector was determined largely from his own characterization of his primary vocation as

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<sup>3</sup> See the "Biographical Information" section of Chapter 2 for a description of the samples. The analysis here is primarily concerned with the 1970 sample, but aggregate figures for 1940 and 1955 are provided for contrast. As a general rule, however, it was found that there was little variation in these characteristics over time.

reported in Who's Who in America.<sup>4</sup>

It is clear from the figures in Table 8 that the business sectors were the primary sources of recruitment for the largest percentage of individuals in every sector except government and the military. Indeed, the corporate sector alone was claimed as the primary vocational area by 72 percent of the top position-holders in both banking and corporations, by 58 percent in TUC firms, and by 50 percent in insurance.<sup>5</sup> It is somewhat surprising, perhaps, that the corporate sector was claimed as the primary recruitment area by as many individuals in banking positions as was the case--indeed, it would appear from these figures that there are relatively few persons serving on the boards of directors of the top fifty banks who claim to be primarily bankers--only 22 percent! This widespread presence of corporate trained individuals is not limited to business sectors. Corporations supplied over a third of the persons in top positions in each of the public interest sectors; and the four business sectors together supplied 57 percent of the individuals in civic associations, 56 percent in education, and 47 percent in foundations.

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<sup>4</sup>Who's Who In America (New York: Marquis' Who's Who Inc.) Who's Who is published biannually.

<sup>5</sup>Corporations as a recruitment sector includes both manufacturing corporations and TUC corporations.

TABLE 8

RECRUITMENT TO TOP INSTITUTIONAL POSITIONS--1970  
(Figures are whole percents; sample size in each sector=50)

Sector From Which Individuals Were Recruited	Sector in Which Individual Now Holds Positions										1940	
	Corps.	Banks	Ins.	TUC	Civic	Foun.	Educ.	Govt.	Mil.	1970		1955
Corporations (includes TUC)	72%	72%	50%	58%	38%	38%	34%	12%	4%	43%	43%	43%
Banking	16	22	10	16	17	9	16	10	2	13	14	17
Insurance	0	0	18	4	2	0	6	4	0	4	5	3
Total Business	88	94	78	76	57	47	56	26	6	60	62	63
Civic & Cultural Foundations	0	0	2	0	2	0	0	0	0	0	1*	0*
Education	0	0	2	2	2	11	0	0	0	2	1*	0*
Total Public Int.	0	0	4	6	2	23	18	2	0	6	6	1*
Government Military	0	0	4	0	9	6	2	24	4	5	5	4
Law	12	2	10	14	23	11	20	46	7	16	14	13
Other	0	4	0	0	4	2	4	2	0	2	2	17
											8	2
											1	2

\*Sector omitted in data set for this year.

The business world is not, however, the only source of top leadership. Personnel in the governmental sector were recruited primarily from the field of law (46 percent). Business and government itself supplied the remaining personnel in almost equal proportions (26 percent and 24 percent respectively). But it is in the military that the best example of a truly specialized sector is to be found. Fully 83 percent of the top position-holders in the military sector--and all of the top military officers--had been recruited from within the military itself.<sup>6</sup> Civilian officials in the military sector--Secretaries, Undersecretaries, and Assistant Secretaries of the Army, Navy, and Marines, and Air Force--accounted for all of the individuals recruited from outside the military including 6 percent from business, 4 percent from government, and 7 percent from law. One other observation concerning recruitment and the military needs to be made. There is no evidence in the 1970 data that would indicate that retired military officers from any level of the service have entered into top corporate positions upon leaving the military. Retired military officers may, of course, enter top firms at lower levels such as public relations or procurement; or they may enter top positions in smaller firms not included in this study. But there does not

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<sup>6</sup>This finding conforms with the findings of Morris Janowitz in his book The Professional Soldier (New York: The Free Press, 1960).

exist a "military-industrial complex" based on retired military officers holding top positions in top firms. As such, this finding constitutes a direct rejection of at least part of C. Wright Mills' "power elite" argument.

These findings on recruitment patterns have remained remarkably consistent over time. The aggregate totals for 1970, 1955, and 1940 show very little variation when missing sectors are accounted for. These findings also tend to conform to the same general patterns reported for interlocking in the previous chapter. The business world--and corporations in particular--supplied the primary vocational experiences for most elite individuals in all sectors except government and the military. The only departure from the earlier interlocking pattern is that a potential linkage between the business world and the government was revealed--specifically, 26 percent of those in government claimed to be primarily businessmen.<sup>7</sup>

Tables 9 and 10 report career experiences of elites in each sector. Table 9 is concerned with the number and type of top positions which individuals in the sample had ever held. These are not merely previous jobs or occupations, but top positions--e.g., president, director, trustee, top

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<sup>7</sup>This linkage might have been even stronger had the data allowed law as a recruitment area to be broken down into sub-specialties like corporate law, trial law, etc. Corporate law and experience in corporations have a great deal in common as occupational backgrounds.

TABLE 9

**AVERAGE NUMBER OF AUTHORITATIVE POSITIONS\* EVER HELD BY INDIVIDUALS CURRENTLY  
OCCUPYING TOP INSTITUTIONAL POSITIONS IN 1970**  
(Figures are in numbers of positions held)

	Sector in Which Individual Now Holds Positions							Total 1970		
	Corps.	Banks	Ins.	TUC	Civic	Foun.	Educ.		Govt.	Mil.
Average Number of Positions Ever Held	9.8	10.7	11.8	12.1	11.6	11.1	10.9	7.0	1.6	9.6
Average Number of Positions Ever Held by Sector:										
Corporations (including TUC)	4.0	4.1	2.8	4.5	2.2	2.0	2.3	0.7	0.1	2.5
Banking	1.1	1.7	1.7	1.6	1.0	1.0	1.0	0.3	0.1	1.1
Insurance	0.4	0.5	1.4	0.8	0.2	0.2	0.3	0.0	0.0	0.4
Civic	1.6	2.0	2.1	2.2	3.0	2.6	2.3	1.1	0.1	1.9
Foundations	0.5	0.7	0.6	0.6	0.8	1.7	1.0	0.4	0.0	0.7
Education	1.0	1.0	1.5	1.2	1.4	1.6	2.0	1.0	0.3	1.2
Government (including Mil)	1.0	0.6	1.4	1.0	2.6	1.7	1.7	3.1	1.0	1.6
Law	0.2	0.1	0.3	0.2	0.4	0.3	0.3	0.4	0.0	0.2

\*"Authoritative positions" here are top positions in any sized institution in a sector.



official, etc.--which the individual had held. Of course, these positions are not all in top-ranked institutions; and in this regard, the data reflects vertical as well as horizontal interlocking over the individual's lifetime.

The aggregate record of leadership for these elite individuals turned out to be truly impressive; the "average" individual had held 9.5 top positions during his lifetime. In particular, the tradition of public service appears to have been very much alive among these top institutional leaders. The average for each was 1.9 civic positions, .7 foundation positions, 1.2 educational positions, and 1.5 governmental positions.<sup>8</sup> As might have been expected, business sector individuals held the largest average number of business positions. But it should be noted that corporate sector experience among individuals in all three of the public interest sectors was also impressive (2.0 for foundations, 2.2 for civic affairs, and 2.3 for education). Only in government and the military was business experience not a clear tendency among top position-holders.

Again the military constitutes a clearly specialized sector. Military leaders tend to "come up through the ranks"; only the civilian officials attached to military institutions showed any experiences outside the sector.

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<sup>8</sup>Governmental positions included local, state, and federal governmental posts--most were appointive positions rather than elective.

Generals do, of course, benefit from lower level command experience and special training programs conducted by the military, but they do not have direct experience in governmental, business, or public interest institutions.

Government officials exhibit the same general pattern of sector specialization as the military, but to a slightly lesser extent. Most of the 7.0 average number of positions held by government officials were accounted for by other government jobs (3.1); but top governmental leaders did, generally, have some experience in civic associations and educational institutions (1.1 and 1.0 positions respectively).

It should, of course, be realized that the figures reported in Table 9 are aggregate figures and that no such "average" elites exist. Indeed, the figures in Table 9 could conceivably conceal a situation where a small number of high multiple-interlockers with a wide variety of career experiences are coupled with a large number of low experience specialists. In order to examine the "spread" or "distribution" of career experiences among the individuals in each sector, the percentage of individuals who had held at least one position of authority in an institution outside their own sector was calculated.

The figures in Table 10 reveal that position-holders in the public interest sectors were the most uniformly experienced of all individuals in the sample. Not only had high proportions of these leaders held other positions

TABLE 10

OCCUPATIONAL EXPERIENCES OF ELITES BY SECTOR--1970  
(Figures are whole percents; sample size in each sector=50)

Experience Sector (% Having Experience in Each Sector)	Sector in Which Individual Now Holds Positions										Total 1970	Total 1955	Total 1940
	Corps.	Banks	Ins.	TUC	Civic	Foun.	Educ.	Govt.	MIL				
Corporations (Including TUC)	100%	88%	80%	100%	68%	72%	84%	30%	9%	71%	69%	69%	69%
Banking	40	100	68	56	48	36	54	14	7	47	47	47	42
Insurance	14	34	100	26	18	18	22	6	0	26	29	29	32
Civic & Cultural	56	76	74	62	100	86	84	30	13	64	50	50	---
Foundations	18	18	34	14	40	100	64	18	0	33	---	---	---
Education	56	60	60	48	52	62	100	20	11	52	44	44	---
Government #1*	16	24	42	30	62	54	52	84	11	42	43	43	51
Government #2**	4	0	4	2	6	10	8	32	17	10	11	11	8
Law	18	4	12	18	28	16	24	28	9	17	16	16	18

\* Any governmental position at the local, state, or national level (except those in Government #2).

\*\* Federal Departmental Secretaries, Undersecretaries, and Assistant Secretaries.

---Sector not in data set for year shown.



within the public interest sectors, but a relatively high proportion of them had also held positions in the business sectors and in government.

Position-holders in the business world appear, generally, to be less widely experienced than those public interest sectors--especially with regard to service in governmental positions. There is, however, considerable variance in experience levels between the four business sectors themselves. Individuals in the financially oriented sectors--i.e., banking and insurance--exhibit a more distributed and varied experience pattern both within the business world and with public interest sectors than do leaders in the product and service oriented sectors--i.e., corporations and TUC firms.

Top military officials continue to exhibit relatively low cross-sectional career experience patterns; and again, governmental officials reflect this same pattern but to a lesser degree. It is interesting to note, however, that fully 30 percent of the position-holders in government had held at least one top position in a corporation and 14 percent had held a position in banking. Thus, the tentative linkage between government and business which was noted earlier in the recruitment patterns is confirmed here.

By way of concluding this section it should also be reported that the same stability of aggregate figures over time which was exhibited in the recruitment data was also

apparent here. Except for an inconclusive tendency for more individuals in 1970 to be experienced in the public interest sectors than in 1955 (no data for 1940), the career experience figures for the three years are almost identical.

#### Educational Backgrounds of Elites:

Table 11 summarizes the educational backgrounds by sectors of the elite individuals examined in this paper. The first part of the table deals with the type of degree held while the second part deals with the type of college attended.

It is clear that the individuals in this study were highly educated. At a time (1970) when only 21 percent of the general public had attended college, 97 percent of the individuals in the elite sample had attended, 91 percent held degrees, and 50 percent held advanced academic or professional degrees. It is also clear from the aggregate figures for all three years that overall educational levels are increasing markedly over time--especially in the proportion holding an advanced academic degree (3 percent in 1940 versus 22 percent in 1970).

There can be little doubt from these data that elites are indeed different from the general public and similar to each other with respect to educational levels. This is not, of course, a new or revolutionary finding. It has long been recognized that leaders in a society are generally better

TABLE 11

EDUCATIONAL BACKGROUND OF ELITES BY SECTOR--1970  
(Figures are in whole percents; sample size in each sector=50)

	Corps.	Banks	Ins.	TUC	Civic	Foun.	Educ.	Govt.	Mil.	Total	Total	
										1970	1955	1940
<u>Degree Type:</u>												
None	10%	6%	10%	10%	10%	12%	4%	12%	4%	9%	23%	28%
BA/BS	44	60	46	46	34	26	34	18	58	41	41	41
Law	24	14	16	28	36	16	32	48	14	25	23	21
MA/MS/PhD	22	18	20	12	16	40	28	22	16	22	13	7
Professional	0	2	8	4	4	6	2	0	0	3	0	3
<u>College Type:</u>												
None	0%	2%	6%	4%	4%	2%	0%	8%	0%	3%	13%	15%
Public	36	32	22	42	14	24	4	32	30	26	20	19
Private	10	16	16	16	16	6	0	18	2	11	13	19
Private-Prestigious	54	50	56	38	66	68	96	42	22	55	48	39
Military	0	0	0	0	0	0	0	0	46	5	6	8



educated than the average individual.<sup>9</sup>

Turning to the type of colleges and universities attended by the 1970 elite sample, Table 11 reveals that elites attended private colleges in significant proportions. Indeed while only 25 percent of the general public had attended private colleges in 1970, 66 percent of the elite had and 55 percent had attended one of the 12 private-prestigious colleges identified above in Chapter 2--i.e., Harvard, Yale, Princeton, Dartmouth, Penn, Chicago, Columbia, Cornell, Stanford, MIT, Northwestern, or Johns Hopkins. Even in the governmental sector, 60 percent of the individuals had attended private colleges and 42 percent had attended one of the top twelve. Only in the military sector where attendance at one of the military academies was the norm (46 percent) did the proportion attending private colleges drop below 50 percent (to 24 percent).

From these data, it can be concluded that in general elites do indeed have similar educational backgrounds both with respect to the level of their educational experiences and also with respect to the type of educational institution in which the experience occurred. Further, their educational

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<sup>9</sup>See, for example, Donald R. Mathews, The Social Background of Political Decision-Makers (New York: Doubleday, 1954), David T. Stanley, Dean E. Mann, and Jameson W. Doig, Men Who Govern (Washington: The Brookings Institution, 1967), Lloyd Warner and James C. Abegglen, Big Business Leaders in America (New York: Harper, 1955), and Suzanne Keller, Beyond the Ruling Class (New York: Random House, 1963).

experiences distinguish them markedly from the larger public. Thus, if--as argued by proponents of the convergence model like Mills and Domhoff--similar educational experiences serve as one of several linkages which together produce elite homogeneity and unity, then the evidence here suggests that education is indeed an important linkage.

#### Social Club Memberships:

In addition to educational linkages, writers on elites also argue that a number of social practices and institutions also provide elite linkages leading to interaction, homogeneity, and unity. Of the several mentioned by other writers including intermarriages among elites, "charity" work, support of opera companies, orchestras, museums and other cultural affairs, and memberships in exclusive social clubs, only the last--membership in elite clubs--will be examined here.

Of the clubs, E. Digby Baltzell writes: "at the upper-class level in America . . . the club (a private voluntary association) lies at the very core of the social organization of the access to power and authority."<sup>10</sup> In the same vein, Ferdinand Lundberg observes that:

The higher elite must . . . mark itself off more precisely than either family, coat of arms, school or the possession of money can do. It does mark itself off

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<sup>10</sup>E. Digby Baltzell, The Protestant Establishment (New York: Random House, 1964), p. 354.



through the system of private clubs. . . . The private clubs are the most "in" thing about the . . . elite. These clubs constitute the societal control centers of the elite.<sup>11</sup>

G. William Domhoff lists 40 such private-prestigious clubs which, he argues, constitute the most exclusive social clubs in America; they are as follows:<sup>12</sup>

Arlington (Portland, Ore.)  
 Boston (New Orleans)  
 Brook (New York)  
 Burlingam Country (S.F.)  
 California (Los Angeles)  
 Casino (Chicago)  
 Century (New York)  
 Chagrin Valley Hunt (Cleveland)  
 Charleston (Charleston, S.C.)  
 Chicago (Chicago)  
 Cuyamuca (San Diego)  
 Denver (Denver)  
 Detroit (Detroit)  
 Eagle Lake (Houston)  
 Everglades (Palm Beach)  
 Hartford (Hartford, Conn.)  
 Hope (providence)  
 Idlewild (Dallas)  
 Knickerbocker (New York)  
 Links (New York)  
 Maryland (Baltimore)  
 Milwaukee (Milwaukee)  
 Minneapolis (Minneapolis)  
 New Haven Lawn (New Haven)  
 Pacific Union (S.F.)  
 Philadelphia (Philadelphia)  
 Piedmont Driving (Atlanta)  
 Piping Rock (New York)  
 Raquet Club (St. Louis)  
 Ranier (Seattle)  
 Richmond German (Richmond)  
 Rittenhouse (Philadelphia)

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<sup>11</sup>Ferdinand Lundberg, The Rich the Super-Rich (New York: Bantam Books, 1968), p. 339.

<sup>12</sup>Domhoff, The Higher Circles, pp. 23-24.

River (New York)  
 Rolling Rock (Pittsburg)  
 Saturn (Buffalo)  
 St. Cecelia (Charleston)  
 St. Louis County (St. Louis)  
 Somerset (Boston)  
 Union (Cleveland)  
 Woodhill Country (Minneapolis)

The first part of Table 12 reports membership figures for all clubs belonged to by elites. The figures are by sector for 1970 and in aggregates for 1970, 1955, and 1940. The second part of the table reports similar figures for elite memberships in just the 40 exclusive clubs listed above.

It is clear from Table 12 that elites have always been joiners. It does appear that this characteristic may have been slightly more pronounced in 1940 and in 1955 when 78 percent of the individuals in each sample belonged to at least one.<sup>13</sup> Nevertheless, club memberships were clearly a common social practice among elites in all 1970 sectors except government and the military; in fact, between 30 and 40 percent of the individuals in each of the 7 business and public interest sectors belonged to five or more clubs.

Turning to the question of exclusive clubs, Table 12 reveals that membership in one of the 40 private-prestigious clubs listed above has been fairly consistent and remarkably high over time--especially when compared to the infinitesimal proportion of the total population who hold memberships in

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<sup>13</sup>The difference could be due to sector variances.

TABLE 12

CLUB MEMBERSHIPS: ALL CLUBS AND PRESTIGIOUS BY SECTOR--1970  
(Figures are whole percents; sample size in each sector=50)

# of Memberships in Each Club Type	Corps.	Banks	Ins.	TUC	Civic	Foun.	Educ.	Govt.	Mil.	Total 1970	Total 1955	Total 1940
<b>All Clubs:</b>												
None	22%	16%	34%	28%	10%	30%	22%	62%	71%	32%	22%	22%
One	14	6	2	4	14	8	4	16	13	9	9	5
Two-Four	34	46	36	28	34	24	24	14	9	28	35	55
Five or More	30	32	28	40	42	38	50	8	7	31	34	20
<b>Prestigious Clubs:</b>												
None	52%	56%	68%	54%	34%	50%	38%	94%	91%	60%	54%	58%
One	38	22	16	26	34	26	26	6	7	22	25	27
Two-Four	10	20	16	20	28	22	34	0	2	17	20	14
Five or More	0	2	0	0	4	2	2	0	0	1	1	1



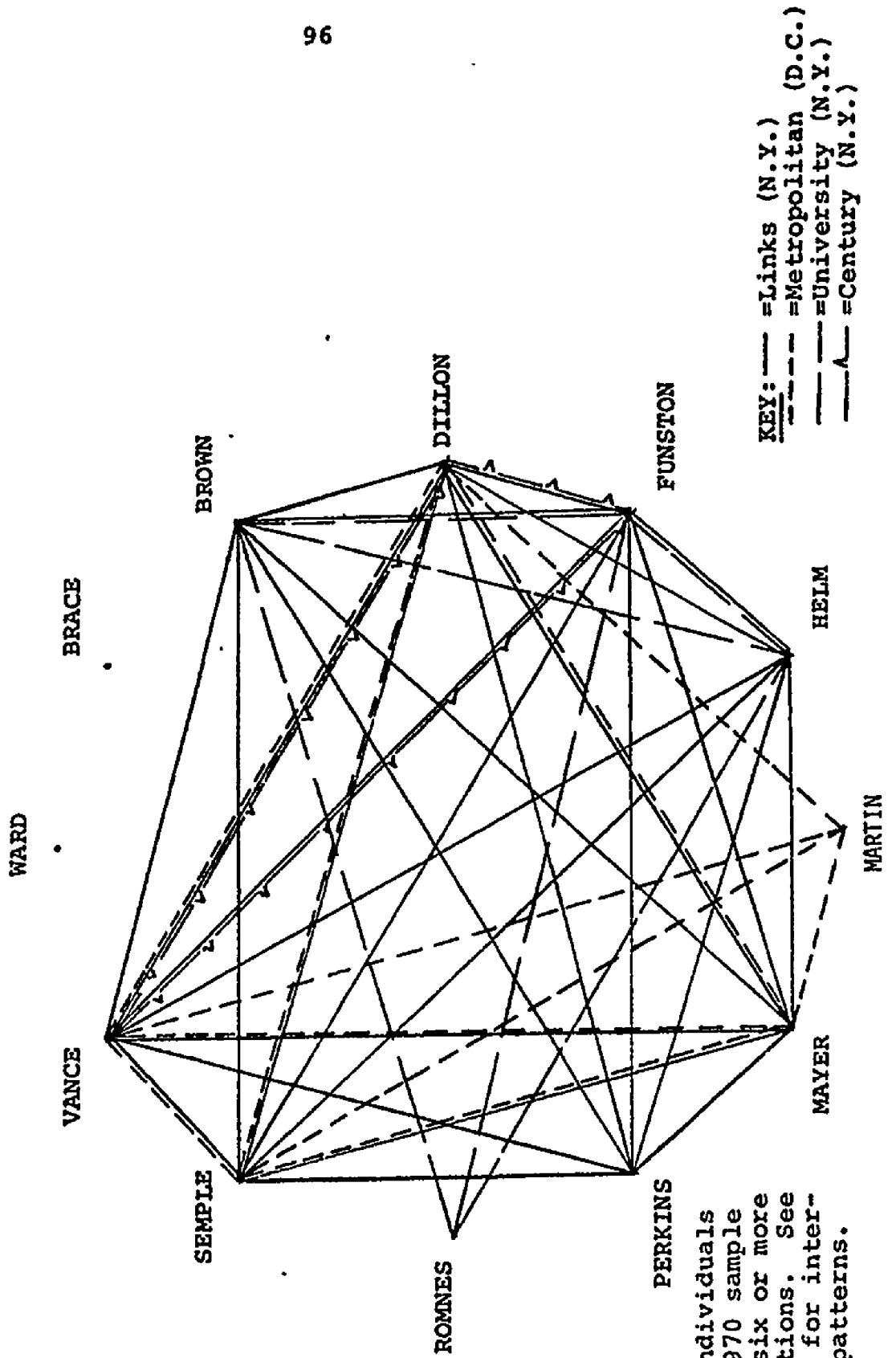
these clubs. Aggregate figures of the three samples show that 40 percent of the 1970 sample belonged to at least one of the private-prestigious clubs while 46 percent of the 1955 sample and 42 percent of the 1940 sample belonged to at least one. Again the sector figures for 1970 reveal that private-prestigious club memberships are fairly common in the 7 business and public interest sectors (highs are 66 percent in civic associations and 62 percent in education: lows are 32 percent in insurance and 42 percent in banking). The sector figures also reveal that individuals in the government and the military tend not to belong to private-prestigious clubs--only 6 percent in government and 9 percent in the military belonged to even one private-prestigious club.

The type of elite interaction patterns which result from common club memberships can be illustrated by using another sociometric type diagram similar to Figure 1 which was used above in Chapter 3 to illustrate interlocking patterns among the study's top 12 multiple-interlockers.<sup>14</sup> Figure 2 shows how the same 12 multiple-interlocks are also inter-linked by a series of common club memberships in four private-prestigious clubs--namely, the Links, University, and Century in New York City and the Metropolitan in

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<sup>14</sup>Those holding six or more top positions.

FIGURE 2  
 SELECTED COMMON CLUB MEMBERSHIPS AMONG "TOP" MULTIPLE-INTERLOCKERS\* IN 1970



\*Those individuals in the 1970 sample holding six or more top positions. See Figure 1 for interlocking patterns.

Washington, D.C. It is clear from a combination of Figures 1 and 2 that these individuals do, by and large, know each other--either by way of service on common boards of directors or through common club memberships (or both). This is not, of course, to suggest that all of the individuals in this study are as tightly linked as these twelve. But the kinds of association patterns revealed in these two figures give support to the contention that homogeneity and interaction occur among elite individuals as a result of a series of formal and informal linkages.

Personal-Biographical Differences  
Between Interlockers and Specialists:

It was reported in Chapter 3 above that interlocking (the holding of multiple positions of authority in top institutions) was not uniformly important for all of the elite individuals identified in this study. In fact, it appeared that there existed an "elite-of elites" composed of the 743 individuals--out of a total of 3943 in 1970--who held multiple positions. These interlocking individuals constituted only about 20 percent of the total number in the elite as defined; yet they hold almost 40 percent of all of the top positions studied. Thus, according to a structural definition of power, power emanating from these multiply-held positions should cumulate in the hands of the single individual occupying them; and, as a result, these individuals should be among the most powerful individuals in America.

The question addressed in this section is whether this elite-of-elites differs in its occupational, educational, and/or social characteristics from the remainder of the individuals in the sample--i.e., the specialists.<sup>15</sup> If interlockers--who by definition possess formal linkages--are also more tightly associated through informal personal-biographical linkages than the aggregate sample together or the specialists alone then perhaps the definition of the elite should be revised to mean just horizontal interlockers.

Table 13 reports percentage occupational, educational, and social club figures similar to those in Tables 8, 10, 11 and 12 for: (1) the aggregate sample, (2) interlockers, and (3) specialists. In general the figures in Table 13 reveal that interlockers are indeed very different with respect to these linkages from specialists.<sup>16</sup> Interlockers tended to be recruited from the business world in significantly

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<sup>15</sup>Specialists here include vertical interlockers; interlockers are horizontal interlockers only. See the operationalization discussion in Chapter 3 above.

<sup>16</sup>It should be noted that 89 of the 259 specialists in this sample are government or military officials. It is very possible that they are very different from the interlockers (who are primarily business and public interest sectors individuals). The effect of this may be to make this comparison between interlockers and specialists a comparison between business and public interest sector individuals on the one hand and government and military individuals on the other. Nevertheless, a preliminary examination of this problem reveals that there are still real differences between interlockers and specialists even with this problem controlled.

TABLE 13

OCCUPATIONAL, EDUCATIONAL, AND SOCIAL DIFFERENCES  
BETWEEN INTERLOCKERS AND SPECIALISTS--1970  
(Figures are whole percents)

A. RECRUITMENT PATTERNS			
Recruitment Area	% of Total Sample From Each Area (N=422)	% of Interlockers From Each Area (N=163)	% of Specialists From Each Area (N=259)
Corporations (& TUC)	43%	17%	10%
Banking	13	17	10
Insurance	<u>4</u>	<u>2</u>	<u>5</u>
Total Business	60	72	53
Civic & Cultural Foundations	0	0	1
Education	2	2	1
Total Public Interest	<u>6</u> 8	<u>6</u> 8	<u>6</u> 8
Government	5	6	6
Military	9	1	15
Law	16	12	18
Other	2	1	2

B. CAREER EXPERIENCE			
Number of Positions Held Throughout Life in Each Sector	% of Total Sample With Experience in Each Sector	% of Interlockers With Experience in Each Sector	% of Specialists With Experience in Each Sector
<u>Corporations:</u>			
None	29%	13%	41%
One	14	12	16
Two-Four	36	43	29
Five or More	21	32	13

(continued)



Table 13--continued

Number of Positions Held Throughout Life in Each Sector	% of Total Sample With Experience in Each Sector	% of Inter- lockers With Experience in Each Sector	% of Specialists With Experience in Each Sector
<b><u>Banking:</u></b>			
None	53%	38%	64%
One	30	37	26
Two-Four	16	25	10
Five or More	1	0	0
<b><u>Insurance:</u></b>			
None	74	65	80
One	16	24	11
Two-Four	8	8	8
Five or More	2	2	1
<b><u>Civic &amp; Cultural:</u></b>			
None	36	23	46
One	20	20	20
Two-Four	32	42	26
Five or More	12	15	8
<b><u>Foundations:</u></b>			
None	67	55	78
One	19	30	14
Two-Four	12	16	8
Five or More	2	2	0
<b><u>Education:</u></b>			
None	48	34	58
One	24	26	25
Two-Four	23	34	14
Five or More	5	6	3

(continued)

Table 13--continued

Number of Positions Held Throughout Life in Each Sector	% of Total Sample With Experience in Each Sector	% of Inter- lockers With Experience in Each Sector	% of Specialists With Experience in Each Sector
<u>Government #1:</u> *			
None	58%	52%	63%
One	12	14	12
Two-Four	21	22	19
Five or More	9	12	6
<u>Government #2:</u> **			
None	90	92	91
One	7	6	7
Two-Four	2	1	1
Five or More	1	1	1
<u>Law:</u>			
None	83	84	82
One	13	12	13
Two-Four	4	3	4
Five or More	0	1	1

\* Any governmental position at the local, state, or national level (except those in Government #2).

\*\* Federal level Cabinet Department Secretaries, Undersecretaries, and Assistant Secretaries.

Table 13--continued

C. EDUCATIONAL BACKGROUND			
	% of Total Sample	% of Inter- lockers	% of Spec- ialists
<u>Degree:</u>			
None	9	9	9
BA/BS	41	39	43
Law	25	24	26
MA/MS/PhD	22	22	20
Professional	3	6	2
<u>College Type:</u>			
No College	3	2	4
Public	26	21	31
Private	11	10	13
Private-Prestigious	55	66	45
Military	5	1	8

D. SOCIAL CLUB MEMBERSHIPS			
Number of Member- ships in Each Type	% of Total Sample	% of Inter- lockers	% of Spec- ialists
<u>All Clubs:</u>			
None	<u>32%</u>	<u>19%</u>	<u>44%</u>
One	9	5	11
Two-Four	28 T=68*	27 T=81*	29 T=56*
Five or More	31	49	16
<u>Prestigious Clubs:</u>			
None	<u>60%</u>	<u>37%</u>	<u>77%</u>
One	22	31	17
Two-Four	28 T=40*	29 T=63*	6 T=23*
Five or More	1	3	0

\* T values are percent of individuals with at least one membership.

greater proportions than specialists (72 percent versus 53 percent). Interlockers also had markedly wider occupational experiences in every sector except the law. Interlockers attended one of the 12 private-prestigious colleges in greater proportions than specialists (66 percent versus 45 percent). And finally they were: (1) more likely to belong to a club (81 percent belong to at least one versus 56 percent for specialists), (2) more likely to belong to five or more clubs (49 percent versus 16 percent), and (3) more likely to belong to a private-prestigious club (63 percent versus 23 percent) than are specialists.

Summary:

It appears from the findings in this chapter that informal linkages--and specifically, recruitment patterns, career experiences, educational levels, college types, and social club memberships--do indeed contribute to elite homogeneity. But like the formal linkage provided by interlocking directorates, the linkages discussed in this chapter are not uniformly important for all of the individuals in the study. In the first place, only individuals in the 7 business and public interest sectors appeared to be linked through social club memberships: leaders in the government and the military displayed a marked tendency not to be "joiners." In addition, recruitment, career experiences, and educational linkages between government on the one hand and business and the public interest sectors on the

other varied from weak to moderate (the strongest being the 42 percent of the governmental officials who attended one of the 12 private-prestigious colleges). Military officials showed no tendencies at all toward informal linkages with any other sector. And finally, informal linkages are closely related to interlocking: interlockers are significantly more homogeneous than specialists.

## CHAPTER VI

### THE STRUCTURE OF POWER AND AUTHORITY IN AMERICA

#### SUMMARY AND CONCLUSIONS

The convergence and the polyarchical power-structure models represent ideal types on a continuum of possible power-structure models. Thus, a hybrid of the two models should probably be expected to exist in reality. This expectation is supported by the findings of this study. The evidence generated by the operationalization of a national institutional elite here does not fit neatly into either model; rather, there is evidence of both convergence and polyarchy.

#### Evidence of Convergence:

The convergence model portrays power as concentrated in the hands of a relatively small, homogeneous, coordinated elite who exercise control over a wide range of issues, institutions, and sectors. The findings here support the notion that the elite is relatively small in number and that control of substantial power-resources is concentrated in it through the holding of authoritative positions in top-ranked

institutions. Of course, this finding is partially the product of the specific definition of the elite utilized in this study. Nevertheless, just 3943 individuals in 1970 (.002 percent of the population of the United States) held 5092 positions in 356 institutions which controlled: (1) one-half of the nation's total business assets, (2) the resources of the most prestigious and wealthy private colleges and universities, foundations, and civic and cultural associations in America, and (3) the activities and resources of the federal government and the military establishment.

Further, there is evidence that this concentration of resources is increasing over time. The business sectors especially were generally more concentrated in 1970 than in 1955 or 1940--this despite a remarkable growth in the absolute number of firms in every sector except banking. The data for the public interest sectors--education, foundations, and civic affairs--does not allow time series comparisons of resource concentration. In the governmental sector, however, the activities of the federal government are expanding rapidly. The 300 individuals identified as authoritative position-holders in 1970 were at the heads of federal agencies which controlled nearly two-thirds of all governmental expenditures. Federal expenditures accounted for 22 percent of the gross national product.

In addition to being relatively small, there is also evidence that the elite is both coordinated and homogeneous. In the first place, interlocking directorates provide a formal linkage among and between top institutional positions in all sectors except government and the military. In 1970 roughly 40 percent of all positions in the four business and three public interest sectors were interlocked.

Intersector interlocking between these seven sectors is substantial. Approximately a quarter of the interlocks in the business sectors in 1970 were with public interest sector institutions while almost two-thirds of the interlocks in education, foundations, and civic affairs were with business institutions. Intrasector interlocking within business sectors tends to be low where federal laws prohibit it among firms with similar products or services; but interlocking among unlike firms--especially within the corporate sector--is high. Three-quarters of the interlocks among business positions were with other business positions.

Homogeneity among elite individuals in all sectors except the military and, to a lesser extent, the government is provided by a series of personal characteristics and practices. Business--and the corporate sector in particular--was claimed as the primary life activity (recruitment sector) by the overwhelming majority of the individuals in the seven business and public interest sectors. Business elites



also tend to be occupationally experienced in public interest institutions--colleges and universities, foundations, and civic and cultural organizations. Likewise, public interest elites tend to be experienced in business institutions. Military officers show little tendency to be recruited from or experienced outside their own sector; but governmental officials are somewhat more likely to be recruited from business (26 percent in 1970) and to have had experience in business and public interest institutions.

Educational experiences of elites are remarkably similar in all sectors. Most attended private--and many attended private-prestigious--colleges and universities. Even among military men where 46 percent had attended one of the elite military academies in 1970, 22 percent still had attended one of the 12 private-prestigious universities included in this study; and governmental officials attended private and private-prestigious schools in markedly high numbers (60 percent attended a private school and 42 percent attended a private-prestigious one).

Social club memberships reveal that elite individuals except government officials and military officers are "joiners." Further, large percentages of the individuals in the business and public interest sectors--especially foundation and education elites--belong to one of 40 exclusive, prestigious clubs.

Thus, there is substantial evidence of convergence to be found in the data examined in this study. A relatively small, powerful, homogeneous, coordinated elite is produced by the concentration of power-resources in a small number of large institutions. This elite is interlinked through the formal mechanism of multiple position-holding across sectors and the informal mechanisms of common occupational, educational, and social experiences.

#### Evidence of Polyarchy:

But not all of the evidence reported in this study is consistent with the convergence model. Indeed, several bits of evidence lend support to the polyarchical model. This model portrays power as dispersed among several sets of competing, heterogeneous, specialized (non-linked, factional) elites who limit their exercise of power to a narrow range of issues and institutions in their own sectors of society.

In the first place, 80 percent of the individuals in this study in 1970 were "specialists"--i.e., they held only one "authoritative position" in one "top-ranked institution" at a time. Thus, for the overwhelming majority of the individuals in this study, horizontal interlocking provided no linkage at all. To be sure, some of these "specialists"--particularly those in the business and public interest sectors--may be vertically interlocked. Unfortunately, however, the data available here are insufficient to allow this

possibility to be even superficially explored.

As was the case with interlocking, the informal linkages produced by elite practices and characteristics are not uniformly important. The 20 percent of the universe who were interlockers in 1970 were generally very much alike while specialists were markedly heterogeneous. Thus, the largest portion of the elite universe was neither formally nor informally coordinated; but rather, it was differentiated functionally and largely dissimilar personally.

The most overt evidence of polyarchy, however, was supplied by just two sectors--namely, government and the military. In both of these sectors, interlocking was almost totally lacking (except for some unimportant intrasector and statutorily proscribed intersector interlocking of government officials). In addition to this total lack of formal linkage, military officers and governmental officials generally displayed different occupational and social characteristics than did individuals in the other sectors. They were not club "joiners" nor did they tend to be occupationally experienced outside their own sectors. These two sectors fit the polyarchical model's prediction of elite differentiation.

#### A Hybrid Power-Structure Model:

The evidence in this study indicates that neither the convergence nor the polyarchical model of power alone is adequate to describe the power structure in America. Rather,

it appears that a synthesis of these two extremes--a hybrid model would be more appropriate. Specifically, a hybrid model would posit that: (1) there is a small, homogeneous, tightly interlocked elite in the business and public interest sectors supported by a larger specialized elite in each sector; and (2) there are separate, specialized governmental and military sectors whose officials and officers are only slightly and informally linked with elites in other sectors.

The interlocked business-public interest elite thesis is supported by both formal and informal linkage evidence. Most important, perhaps, is the fact that 40 percent of the positions in the 1970 data set were held by only 20 percent of the individuals. This indicates that a small number of multiple position-holders had the authority to control the actions and resources of several institutions simultaneously. Supporting this minority of multiple position-holders was a large group of specialized elites (80 percent of the total universe).

The unified elite thesis is also supported by the data on recruitment, career experiences, educational backgrounds, and social club memberships. Interlockers, in 1970, were more homogeneous and "upper class" than specialists. Seventy-two percent of the interlockers were recruited from business sectors while only 53 percent of the specialists were. Interlockers consistently had more varied career experiences than did specialists: 87 percent of interlockers were experienced

in corporations versus only 59 percent of specialists, 62 percent had experience in banking versus only 36 percent for specialists, 77 percent had civic experience versus 54 percent for specialists, and 66 percent had educational experience versus 42 percent for specialists. Interlockers also attended private and private-prestigious colleges and universities in larger proportions than did specialists: 76 percent of interlockers had attended a private college of some kind and 66 percent had attended one of the 12 top private-prestigious ones. At the same time, 58 percent of specialists had attended a private college and 45 percent had attended a private-prestigious one. Finally, interlockers belonged to more clubs overall--and more exclusive clubs in particular--than did specialists. While 81 percent of interlockers belonged to some kind of social club and 63 percent belonged to one of the 40 exclusive ones, 56 percent of specialists belonged to a social club and only 20 percent belonged to an exclusive one.

Thus, it appears that there is a small minority of the individuals in the universe of elites identified in this study who are in fact unified through both formal and informal linkages. At the same time, however, only seven of the nine sectors exhibit such an elite. In the governmental and military sectors, there is little evidence of either formal or informal linkage. These two sectors provide separate avenues to power.

It might, of course, be argued that the discovery of polyarchy in just two of the nine sectors does not seriously damage the relatively strong findings of convergence in the other seven sectors. But the fact that the two were--in the words of C. Wright Mills--"the warlords" and the "political directorate" which constituted two of his three main sectors has serious implications for the credibility of his "power elite" thesis.

#### Research in National Elites:

This study represents an initial attempt to study American national elites with operational concepts, testable hypotheses, and reliable data. While earlier writers--including C. Wright Mills, G. William Domhoff, Ferdinand Lundberg, Robert Dahl, and Nelson Polsby--have reported findings in a speculative, anecdotal, tautological, and/or moralistic manner, this study has systematically defined and identified a national institutional elite and has empirically examined several aspects of it.

To be sure, many questions concerning the nature of the power-structure and the elite have not been answered by this study. As such, additional research of this type is necessary. Does there exist, for example, a consensus or "community of interest" among elite individuals as suggested by Mills, Domhoff, and others; or does conflict, competition, and compromise characterize elite relations despite high

degrees of coordination and homogeneity? Are elites free to act from their positions of power; or are they constrained by internal and external forces to act within prescribed parameters? Do elites know each other and interact with each other professionally and socially; or do they restrict their associations to small cliques within their own sectors?

These and other questions must be considered if a clear understanding of the structure of power and authority in America is to be gained. It is believed, however, that the time has come to abandon polemics and ideological rhetoric. The debate over the concentration or dispersion of power must become better informed factually through continued systematic research and reporting.

APPENDIX

RANKING OF INSTITUTIONS INCLUDED IN THIS STUDY BY  
SECTOR, YEAR, AND ASSETS (WHERE APPLICABLE)

I. INDUSTRIAL CORPORATIONS:<sup>a</sup>

Rank	Name	1970	
		Assets (B\$)	Cumulative Percent
1.	Standard Oil (N.J.)	19.2	3.4
2.	General Motors	14.2	5.8
3.	Texaco	9.9	7.6
4.	Ford Motor	9.9	9.3
5.	Gulf Oil	8.7	10.8
6.	I.B.M.	8.5	12.3
7.	Mobil Oil	7.9	13.7
8.	General Telephone & Electronics	7.7	15.0
9.	International Tele. & Tele.	6.7	16.2
10.	Standard Oil (California)	6.6	17.3
11.	United States Steel	6.3	18.4
12.	General Electric	6.3	19.5
13.	Standard Oil (Indiana)	5.4	20.5
14.	Chrysler	4.8	21.3
15.	Shell Oil	4.6	22.1
16.	Atlantic Richfield	4.4	22.9
17.	Tenneco	4.3	23.6
18.	Western Electric	3.7	24.3
19.	E. I. Dupont	3.6	24.9
20.	Union Carbide	3.6	25.5
21.	Westinghouse Electric	3.4	26.1
22.	Bethlehem Steel	3.3	26.7
23.	Phillips Petroleum	3.1	27.2
24.	Eastman Kodak	3.0	27.8
25.	Continental Oil	3.0	28.3
26.	Goodyear Tire and Rubber	3.0	28.8
27.	R.C.A.	2.9	29.3
28.	Dow Chemical	2.8	29.8
29.	Sun Oil	2.8	30.3



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 Industrial Corporations--1970--continued
 

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Rank	Name	Assets (B\$)	Cumulative Percent
30.	Alcoa	2.6	30.8
31.	Boeing	2.6	31.2
32.	Ling-Temco-Vought	2.6	31.7
33.	Occidental Petroleum	2.6	32.1
34.	Union Oil of California	2.5	32.6
35.	Boise Cascade	2.3	33.0
36.	International Harvester	2.2	33.3
37.	Cities Service	2.2	33.7
38.	Gulf & Western Industries	2.2	34.1
39.	Monsanto	2.1	34.5
40.	Firestone Tire & Rubber	2.1	34.8
41.	International Paper	2.0	35.2
43.	Honeywell	2.0	35.5
43.	American Brands	2.0	35.9
44.	Armco Steel	2.0	36.2
45.	Getty Oil	1.9	36.6
46.	Litton Industries	1.9	36.9
47.	R. J. Reynolds Industries	1.9	37.2
48.	Xerox	1.9	37.6
49.	Proctor & Gamble	1.9	37.9
50.	Reynolds Metals	1.8	38.2
51.	Republic Steel	1.8	38.5
52.	Catepillar Tractor	1.8	38.8
53.	Weyerhauser	1.8	39.2
54.	Anaconda	1.8	39.5
55.	McDonnell Douglas	1.8	39.8
56.	Standard Oil (Ohio)	1.7	40.1
57.	Kennecott Copper	1.7	40.4
58.	Georgia-Pacific	1.7	40.7
59.	Rapid American	1.7	41.0
60.	National Cash Register	1.6	41.2
61.	Singer	1.6	41.5
62.	Kaiser Aluminum	1.6	41.8
63.	Celanese	1.6	42.1
64.	Allied Chemical	1.6	42.4
65.	W. R. Grace	1.6	42.6
66.	National Steel	1.6	42.9
67.	United Aircraft	1.5	43.2
68.	Continental Can	1.5	43.4
69.	North American Rockwell	1.5	43.7
70.	Lykes-Youngstown	1.5	44.0

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 Industrial Corporations--1970--continued
 

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Rank	Name	Assets (B\$)	Cumulative Percent
71.	Deere	1.5	44.2
72.	Minnesota Mining & Manufacturing	1.5	44.5
73.	American Can	1.5	44.8
74.	Burroughs	1.4	45.0
75.	Sperry Rand	1.4	45.2
76.	Burlington Industries	1.4	45.5
77.	Inland Steel	1.4	45.7
78.	General Foods	1.4	46.0
79.	Marathon Oil	1.3	46.2
80.	Signal Companies	1.3	46.4
81.	Avco	1.3	46.7
82.	Owens-Illinois	1.3	46.9
83.	Uniroyal	1.3	47.1
84.	B. F. Goodrich	1.3	47.3
85.	Control Data	1.3	47.6
86.	PPG Industries	1.3	47.8
87.	Illinois Central Industries	1.3	48.0
88.	International Utilities	1.2	48.2
89.	American Standard	1.2	48.4
90.	Philip Morris	1.2	48.6
91.	Greyhound	1.2	48.9
92.	Borden	1.2	49.1
93.	U.S. Plywood-Papers	1.2	49.3
94.	City Investing	1.2	49.5
95.	Amerada Hess	1.1	49.7
96.	Olin	1.1	49.9
97.	General Dynamics	1.1	50.1
98.	United Brands	1.1	50.3
99.	TRW	1.1	50.4
100.	American Metal Climax	<u>1.1</u>	50.6
TOTAL ASSETS OF 100 FIRMS		290.1	

Total Number of Corporations in U.S. in 1970 = 202,920  
 Total Assets of Corporations in U.S. in 1970 = 572.9B\$

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Rank	Name	<u>1955</u>	
		Assets (B\$)	Cumulative Percent
1.	Standard Oil (N.J.)	7.2	3.6
2.	General Motors	6.3	6.7
3.	United States Steel	3.6	8.5
4.	E. I. Dupont	3.0	10.0
5.	Ford	2.6	11.3
6.	Socony Mobil Oil	2.4	12.5
7.	Standard Oil (Indiana)	2.3	13.6
8.	Gulf Oil	2.2	14.7
9.	Texas Company (Texaco)	2.1	15.7
10.	Bethlehem Steel	2.0	16.7
11.	Standard Oil of California	1.9	17.7
12.	General Electric	1.7	18.5
13.	Union Carbide & Carbon	1.4	19.2
14.	Chrysler	1.4	19.9
15.	Westinghouse Electric	1.3	20.6
16.	Western Electric	1.3	21.2
17.	Sinclair Oil	1.3	21.8
18.	Shell Oil	1.2	22.4
19.	Phillips Petroleum	1.2	23.0
20.	Cities Service	1.1	23.6
21.	International Harvester	1.0	24.1
22.	Aluminum Company of America (Alcoa)	1.0	24.6
23.	Anaconda	.9	25.0
24.	American Tobacco	.8	25.4
25.	Kennecott Copper	.8	25.8
26.	Goodyear Tire & Rubber	.8	26.2
27.	Republic Steel	.8	26.6
28.	Allied Chemical & Dye	.7	27.0
29.	International Tel. & Tel. (IT & T)	.7	27.3
30.	Dow Chemical	.7	27.7
31.	Radio Corporation of America (RCA)	.7	28.0
32.	Jones & Laughlin Steel	.7	28.4
33.	Firestone Tire & Rubber	.6	28.7
34.	Inernat'l Business Machines (IBM)	.6	28.9
35.	Olin Mathieson Chemical	.6	29.2
36.	International Paper	.6	29.5
37.	R. J. Reynolds Tobacco	.6	29.8
38.	Atlantic Refining	.6	30.1
39.	Eastman Kodak	.6	30.4
40.	National Steel Corporation	.6	30.7
41.	U.S. Rubber	.6	31.0
42.	Youngstown Sheet & Tube	.6	31.3

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 Industrial Corporations--1955--continued
 

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Rank	Name	Assets (B\$)	Cumulative Percent
43.	Arco Steel	.6	31.6
44.	Monsanto	.6	31.9
45.	Union Oil	.5	32.2
46.	Swift	.5	32.4
47.	Sun Oil	.5	32.7
48.	Pittsburg Plate Glass	.5	32.9
49.	American Cyanamid	.5	33.2
50.	Inland Steel	.5	33.4
51.	Burlington Industries	.5	33.7
52.	B. F. Goodrich	.5	33.9
53.	Proctor & Gamble	.5	34.2
54.	Continental Oil	.5	34.4
55.	Reynolds Metals	.5	34.7
56.	Tide Water Associated Oil	.5	34.9
57.	Sunray Mid-Continent Oil	.5	35.2
58.	American Can	.5	35.4
59.	Armour	.5	35.7
60.	National Dairy Products	.5	35.9
61.	Sperry Rand	.5	36.1
62.	Liggett & Myers Tobacco	.5	36.4
63.	Pure Oil	.5	36.6
64.	Deere	.5	36.9
65.	Allis-Chalmers	.4	37.1
66.	Singer	.4	37.3
67.	Phelps Dodge	.4	37.5
68.	Crown Zellerbach	.4	37.7
69.	American Smelting & Refining	.4	37.9
70.	W. R. Grace	.4	38.1
71.	National Distillers Products	.4	38.3
72.	Seagram (Joseph E.) & Sons	.4	38.5
73.	Continental Can	.4	38.7
74.	Schenley Industries	.4	38.9
75.	Weyerhaeuser	.4	39.1
76.	General Foods	.4	39.3
77.	Kaiser Aluminum & Chemical	.4	39.5
78.	Ohio Oil	.3	39.6
79.	Borg-Warner	.3	39.8
80.	National Lead	.3	39.9
81.	Caterpillar Tractor	.3	40.1
82.	Standard Oil (Ohio)	.3	40.2
83.	Celanese	.3	40.4
84.	Skelly Oil	.3	40.5

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 Industrial Corporations--1955--continued
 

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Rank	Name	Assets (B\$)	Cumulative Percent
85.	Borden	.3	40.7
86.	Richfield Oil	.3	40.8
87.	Lockheed Aircraft	.3	41.0
88.	General Dynamics	.3	41.1
89.	J. P. Stevens	.3	41.3
90.	Douglas Aircraft	.3	41.4
91.	Owens-Illinois Glass	.3	41.6
92.	United Aircraft Corporation (UAC)	.3	41.7
93.	Wheeling Steel	.3	41.9
94.	Bendix Aviation	.3	42.0
95.	American Viscose	.3	42.2
96.	Kaiser Steel	.3	42.3
97.	Campbell Soup	.3	42.5
98.	Philip Morris	.3	42.6
99.	North American Aviation	.3	42.8
100.	American Motors	.3	42.9
TOTAL ASSETS OF 100 FIRMS		86.4	

Total Number of Corporations in U.S. in 1955 = 124,199

Total Assets of Corporations in U.S. in 1955 = 201.4B\$

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## 1940

Rank	Name	Assets (B\$)	Cumulative Percent
1.	Standard Oil (N.J.)	2.0	3.3
2.	General Motors	1.7	6.1
3.	Cities Service	1.1	7.9
4.	Socony-Vacuum Oil	.9	9.4
5.	Standard Oil (Indiana)	.7	10.6
6.	Bethlehem Steel	.7	11.7
7.	Ford Motor	.7	12.9
8.	E. I. Dupont	.9*	14.4
9.	Texas Company (Texaco)	.7	15.5

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 Industrial Corporations--1940--continued
 

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Rank	Name	Assets* (B\$)	Cumulative Percent
10.	Standard Oil of California	.6	12.9
11.	Anaconda	.6	17.5
12.	Gulf Oil	.5	18.3
13.	International Harvester	.4	19.0
14.	General Electric	.4	19.7
15.	Reading Company	.4	20.3
16.	Shell Union Oil	.4	21.0
17.	Republic Steel	.4	21.7
18.	Kennecott Copper	.4	22.3
19.	Consolidated Oil	.4	23.0
20.	Koppers Company	.1*	23.1
21.	Armour (Illinois)	.3	23.6
22.	Swift	.3	24.1
23.	Union Carbide & Carbon	.3	24.6
24.	American Tobacco	.3	25.1
25.	Pullman	.3	25.6
26.	International Paper	.2	26.0
27.	Aluminum Company of America (Alcoa)	.3	26.4
28.	Allied Chemical	.4*	27.1
29.	Westinghouse Electric	.2	27.4
30.	Youngstown Sheet & Tube	.2	27.8
31.	Jones & Laughlin Steel	.2	28.1
32.	Phillips Petroleum	.2	28.4
33.	Armour (Delaware)	.2	28.8
34.	National Steel	.2	29.1
35.	Tide Water Oil	.2	29.4
36.	National Dairy Products	.2	29.8
37.	Phelps Dodge	.2	30.1
38.	Goodyear Tire & Rubber	.2	30.4
39.	Chrysler	.2	30.7
40.	United Fruit	.2	31.1
41.	Atlantic Refining	.2	31.4
42.	Liggett & Myers Tobacco	.2	31.7
43.	R. J. Reynolds Tobacco	.2	32.1
44.	Eastman Kodak	.2	32.4
45.	U.S. Rubber	.2	32.7
46.	Pure Oil	.2	33.1
47.	American Can	.2	33.4
48.	Warner Brothers Pictures	.2	33.7
49.	Firestone Tire & Rubber	.2	34.1
50.	American Radiator & Standard San.	.2	34.4
51.	Union Oil of California	.2	34.7
52.	Singer	.2	35.1

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 Industrial Corporations--1940--continued
 

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Rank	Name	Assets (B\$)	Cumulative Percent
53.	Inland Steel	.2	35.4
54.	American Smelting & Refining	.2	35.7
55.	American Rolling Mill	.1	35.8
56.	Glen Alden Coal	.1	36.0
57.	Proctor & Gamble	.1	36.4
58.	Loew's, Incorporated	.1	36.6
59.	Weyerhaeuser	.1	36.9
60.	Ohio (Marathon) Oil	.1	37.0
61.	B. F. Goodrich	.1	37.2
62.	Continental Can	.1	37.4
63.	Sun Oil	.1	37.5
64.	Hearst Consolidated Publications	.1	37.7
65.	United Shoe Machinery	.1	37.9
66.	National Biscuit	.1	38.0
67.	Wheeling Steel	.1	38.2
68.	Borden	.1	38.4
69.	Paramount Pictures	.1	38.5
70.	American Sugar	.1	38.7
71.	Pittsburg Plate Glass	.1	38.8
72.	Allis-Chalmers	.1	39.0
73.	Corn Products	.1	39.2
74.	Crane	.1	39.3
75.	Deere	.1	39.5
76.	Crown Zellerbach	.1	39.7
77.	Continental Oil	.1	39.8
78.	National Lead	.1	40.0
79.	American Car & Foundry	.1	40.2
80.	Wilson	.1	40.3
81.	Radio Company of American (RCA)	.1	40.5
82.	New Jersey Zinc	.1	40.7
83.	Owens-Illinois	.1	40.8
84.	Richfield Oil	.1	41.0
85.	Cudahy Packing Company	.1	41.2
86.	International Shoe	.1	41.3
87.	Philadelphia & Reading Coal Co.	.1	41.5
88.	Schenley Distillers	.1	41.7
89.	Climax Molybdenum	.1	41.8
90.	Lehigh Coal and Navigation	.1	42.0
91.	Standard Brands	.1	42.1
92.	Coca-Cola	.1	42.3
93.	General Foods	.1	42.5
94.	Internat'l Business Machines (IBM)	.1	42.6

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 Industrial Corporations--1940--continued
 

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Rank	Name	Assets (B\$)	Cumulative Percent
95.	National Supply	.1	42.8
96.	U.S. Smelting	.1	43.0
97.	American Cyanamid	.1	43.1
98.	Colgate-Polmolive-Peet	.1	43.3
99.	American Metal	.1	43.5
100.	California Packing	.1	43.6
TOTAL ASSETS OF 100 FIRMS		26.4	

Total Number of Corporations in U.S. in 1940 = 80,198

Total Assets of Corporations in U.S. in 1940 = 60.5

\*Ranks are from TNEC Report, 1939; but Assets are from  
Moody's Manuals of 1940.

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 II. COMMERCIAL BANKING COMPANIES:<sup>a</sup>


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Rank	Name	1970 Assets (B\$)	Cumulative Percent
1.	Bank America	29.7	5.2
2.	First National City Bank	25.8	9.6
3.	Chase Manhattan	24.5	13.9
4.	Manufacturers Hanover	12.7	16.1
5.	J. P. Morgan	12.1	18.2
6.	Western Bancorporation	11.4	20.2
7.	Chemical New York Corporation	11.1	22.1
8.	Bankers Trust	9.9	23.8
9.	Conill Corporation (Chicago)	9.0	25.4
10.	Security Pacific National (L.A.)	8.0	26.8
11.	First Chicago Corp. (Chicago)	8.0	28.1
12.	Marine Midland Banks (Bufflao)	7.6	29.5
13.	Charter New York	6.3	30.6
14.	Wells Fargo (S.F.)	6.2	31.6
15.	Crocker National Corp. (S.F.)	6.0	32.7



## Banking--1970--continued

Rank	Name	Assets (B\$)	Cumulative Percent
16.	Mellon National Bank & Tr. (Pitts.)	5.7	33.7
17.	National Bank of Detroit	5.2	34.6
18.	First National Boston	4.7	35.4
19.	First Bank System (Minn.)	4.4	36.1
20.	Northwest Bancorporation (Minn.)	4.3	36.9
21.	Franklin New York (Mineola)	3.5	37.5
22.	First Pennsylvania Corp. (Phil.)	3.3	38.1
23.	Bank of New York Company	3.1	38.6
24.	Unionamerica (L.A.)	2.7	39.1
25.	Cleveland Trust	2.6	39.5
26.	Republic National Bank of Dallas	2.6	40.0
27.	PNB (Philadelphia)	2.6	40.4
28.	Seattle-First National	2.5	40.9
29.	Girard Company (Philadelphia)	2.5	41.3
30.	Wachovia Corp. (Winston-Salem,N.C.)	2.3	41.7
31.	Detroit Bank & Trust	2.3	42.1
32.	First Wisconsin Bankshares (Mil.)	2.2	42.5
33.	National Bank of North Amer. (N.Y.)	2.2	42.9
34.	Manufacturers National (Detroit)	2.2	43.2
35.	Nortrust (Chicago)	2.1	43.6
36.	First National Bank in Dallas	2.1	44.0
37.	Harris Trust & Saving Bk. (Chicago)	2.1	44.3
38.	Pittsburg National Corp.	2.0	44.7
39.	Lincoln First Banks (Rochester)	2.0	45.0
40.	Bank of California (S.F.)	2.0	45.4
41.	Valley National (Phoenix)	1.9	45.7
42.	Citizens & Southern Nat'l. (Atlanta)	1.9	46.0
43.	U.S. Bancorporation (Portland)	1.8	46.3
44.	BancOhio (Columbus)	1.8	46.7
45.	Shawmut Association (Boston)	1.7	47.0
46.	NCNB (Charlotte)	1.7	47.2
47.	Fidelity Corp. of Penn. (Phil.)	1.7	47.5
48.	National City Bank (Cleveland)	1.6	47.8
49.	Marine Bancorporation (Seattle)	1.5	48.1
50.	Bank of the Commonwealth (Boston)	1.5	48.3
TOTAL ASSETS OF 50 BANKS		278.6	

Total Number of Banks in U.S. in 1970 = 13,511  
Total Assets of Banks in U.S. in 1970 = 576.3B\$

1955

Rank	Name	Assets (B\$)	Cumulative Percent
1.	Bank of America (S.F.)	9.7	4.2
2.	Chase Manhattan (N.Y.)	7.5	7.5
3.	First National City Bank (N.Y.)	7.2	10.6
4.	Manufacturers Trust (N.Y.)	3.2	12.0
5.	Guaranty Trust of New York	3.2	13.4
6.	Chemical Corn Exchange Bank (N.Y.)	3.2	14.8
7.	First National Bank of Chicago	3.0	16.1
8.	Bankers Trust (N.Y.)	2.8	17.3
9.	Continental Illinois Bank (Chicago)	2.7	18.5
10.	Security-First National Bank of L.A.	2.1	19.4
11.	National Bank of Detroit	2.0	20.3
12.	The Hanover Bank (N.Y.)	2.0	21.2
13.	Mellon National Bank (Pittsburg)	1.9	22.0
14.	First National Bank of Boston	1.8	22.8
15.	Irving Trust (N.Y.)	1.7	23.5
16.	American Trust (S.F.)	1.5	24.2
17.	Cleveland Trust	1.4	24.8
18.	First Pennsylvania Bk. & Tr. (Phil.)	1.1	25.3
19.	Philadelphia National Bank (PNB)	1.0	25.7
20.	Anglo California National (S.F.)	1.0	26.1
21.	J. P. Morgan & Company (N.Y.)	1.0	26.6
22.	First National Bank of Portland	.9	27.0
23.	First Western Bank & Trust (S.F.)	.9	27.4
24.	New York Trust	.9	27.7
25.	Republic National Bank of Dallas	.9	28.1
26.	Seattle-First National Bank	.9	28.5
27.	U.S. National Bank (Portland)	.8	28.9
28.	First National Bank in Dallas	.8	29.2
29.	The Detroit Bank	.8	29.6
30.	Manufacturers Nat'l Bank of Detroit	.8	29.9
31.	California Bank (L.A.)	.8	30.3
32.	Northern Trust Company (Chicago)	.8	30.6
33.	Harris Trust & Savings Bk. (Chicago)	.8	31.0
34.	National Bank of Cleveland	.7	31.3
35.	Marine Tr. of Western N.Y. (Buffalo)	.7	31.6
36.	Girard Trust Corn Exchange (Phil.)	.7	31.9
37.	First National Bank in St. Louis	.7	32.2
38.	Mercantile Trust (St. Louis)	.7	32.5
39.	First Wisconsin National Bk. (Mil.)	.7	32.8
40.	Peoples First National Bank (Pitts.)	.6	33.1
41.	Wells Fargo (S.F.)	.6	33.3
42.	Bank of New York	.6	33.6
43.	Marine Midland Trust of New York	.5	33.8
44.	Central National Bank of Cleveland	.5	34.0

## Banks--1955--continued

Rank	Name	Assets (B\$)	Cumulative Percent
45.	Bank of California (S.F.)	.5	34.2
46.	Industrial Nat'l Bk. of Providence	.5	34.5
47.	National Bank of Commerce of Seattle	.5	34.7
48.	Commerce Trust (Kansas City)	.5	34.9
49.	Crocker First Nat'l. Bank of S.F.	.5	35.1
50.	Fidelity Union Trust (Newark)	.5	35.3
TOTAL ASSETS OF 50 BANKS		81.2	

Total Number of Banks in U.S. in 1955 = 14,308  
 Total Assets of Banks in U.S. in 1955 = 229.6B\$

1940

Rank	Name	Assets (B\$)	Cumulative Percent
1.	Chase National Bank of New York	3.8	4.8
2.	National City Bank of New York	3.1	8.7
3.	Guaranty Trust Co. of New York	2.7	12.0
4.	Bank of America Nat'l Trust (S.F.)	1.8	14.3
5.	Continental Illinois Nat'l (Chicago)	1.6	16.3
6.	Bankers Trust Company (N.Y.)	1.6	18.3
7.	Central Hanover Bank & Tr. (N.Y.)	1.4	20.1
8.	First National Bank of Chicago	1.2	21.6
9.	Manufacturers Trust (N.Y.)	1.1	22.0
10.	Chemical Bank & Trust (N.Y.)	1.0	24.2
11.	First National Bank of Boston	.9	25.3
12.	First National Bank of New York	.9	26.5
13.	Irving Trust Company (N.Y.)	.9	27.6
14.	Bank of the Manhattan Co. (N.Y.)	.8	28.6
15.	J. P. Morgan Corporation	.8	29.6
16.	Security-First National Bank of L.A.	.8	30.6
17.	Philadelphia National Bank (PNB)	.7	31.5
18.	National Bank of Detroit	.7	32.4
19.	New York Trust Company	.6	33.1
20.	Cleveland Trust	.6	33.9

## Banks--1940--continued

Rank	Name	Assets (B\$)	Cumulative Percent
21.	Mellon National Bank (Pittsburg)	.5	34.5
22.	Union Trust of Pittsburg	.5	35.1
23.	Northern Trust (Chicago)	.4	35.6
24.	Corn Exchange Bank (N.Y.)	.4	36.1
25.	American Trust Company (S.F.)	.4	36.6
26.	Wells Fargo Bk. & Union Tr. (S.F.)	.4	37.1
27.	Harris Tr. & Savings Bk. (Chicago)	.3	37.5
28.	First National Bank in St. Louis	.3	37.9
29.	Penn. Co. for Ins. on Lives and Granting Annuities (Philadelphia)	.3	38.3
30.	Bank of New York	.3	38.6
31.	First Wisconsin Nat'l Bk. (Mil.)	.3	39.0
32.	Savings Banks Trust Co. (N.Y.)	.3	39.4
33.	National Shawmut Bank of Boston	.3	39.8
34.	First National Bank of Baltimore	.3	40.2
35.	National City Bank of Cleveland	.2	40.4
36.	Anglo California National Bk. of S.F.	.2	40.7
37.	Seattle-First National Bank	.2	40.9
38.	The Detroit Bank	.2	41.2
39.	Mercantile-Commerce B & T (St. Louis)	.2	41.4
40.	Commerce Trust (Kansas City)	.2	41.7
41.	Fidelity Union Trust (Newark)	.2	41.9
42.	Crocker First National Bank of S.F.	.2	42.2
43.	Public National Bank & Tr of N.Y.	.2	42.4
44.	San Francisco Bank	.2	42.7
45.	Marine Trust Company of Buffalo	.2	42.9
46.	Manufacturers Nat'l Bank of Detroit	.2	43.2
47.	City National Bank & Tr (Chicago)	.2	43.4
48.	Marine Midland Trust of New York	.2	43.7
49.	First Nat'l Bk. & Tr. Co. of Minn.	.2	43.9
50.	Central National Bank (Cleveland)	.2	44.2
TOTAL ASSETS OF 50 BANKS		35.2	

Total Number of Banks in U.S. in 1940 = 15,076

Total Assets of Banks in U.S. in 1940 = 79.7B\$

III. LIFE INSURANCE COMPANIES:<sup>a</sup>

<u>1970</u>			
Rank	Name	Assets (B\$)	Cumulative Percent
1.	Prudential Insurance	29.1	14.0
2.	Metropolitan Life	27.9	27.5
3.	Equitable Life	14.4	34.4
4.	New York Life	10.7	39.6
5.	John Hancock	10.0	44.4
6.	Aetna Life	7.2	47.9
7.	Northwestern Mutual	6.1	50.8
8.	Connecticut General Life	5.1	53.3
9.	Travelers Insurance	4.7	55.6
10.	Massachusetts Mutual Life	4.3	57.6
11.	Mutual Life of N.Y.	3.7	59.4
12.	New England Mutual Life	3.5	61.1
13.	Connecticut Mutual Life	2.8	62.5
14.	Mutual Benefit Life	2.6	63.7
15.	Penn. Mutual Life	2.4	64.9
16.	Teachers Ins. & Annuity Assn.	2.3	66.0
17.	Lincoln National Life	2.3	67.1
18.	Bankers Life	2.0	68.1
TOTAL ASSETS OF 18 FIRMS		141.1	

Total Number of Insurance Firms in U.S. in 1970 = 1,790  
 Total Assets of Insurance Firms in U.S. in 1970 = 207.3B\$

<u>1955</u>			
Rank	Name	Assets (B\$)	Cumulative Percent
1.	Metropolitan Life	13.9	15.4
2.	Prudential Insurance	12.5	29.2
3.	Equitable Life Assurance Society	8.0	38.1
4.	New York Life	6.1	44.8
5.	John Hancock Mutual Life	4.6	49.9

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 Insurance--1955--continued
 

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Rank	Name	Assets (B\$)	Cumulative Percent
6.	Northwestern Mutual Life	3.4	53.7
7.	Aetna Life	2.9	56.9
8.	Travelers Insurance	2.7	59.8
9.	Mutual Life Insurance of New York	2.5	62.6
10.	Massachusetts Mutual Life	1.9	64.7
11.	New England Mutual Life	1.7	66.6
12.	Mutual Benefit Life	1.6	68.4
13.	Penn. Mutual Life	1.6	70.1
14.	Connecticut General Life	1.5	71.8
15.	Connecticut Mutual Life	1.2	73.1
16.	Lincoln National Life	1.1	74.3
17.	Bankers Life	.8	75.2
18.	Provident Mutual Life	.8	76.1
TOTAL ASSETS OF 18 FIRMS		68.8	

Total Number of Insurance Firms in U.S. in 1955 = 1,07  
 Total Assets of Insurance Firms in U.S. in 1955 = 90.4B\$

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 1940
 

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Rank	Name	Assets (B\$)	Cumulative Percent
1.	Metropolitan Life	5.4	17.5
2.	Prudential Insurance	4.3	31.5
3.	New York Life	2.9	40.9
4.	Equitable Life Assurance Society	2.6	49.4
5.	Mutual Life Insurance of New York	1.5	54.2
6.	Northwestern Mutual Life	1.4	58.8
7.	Travelers Insurance	1.1	62.3
8.	John Hancock Mutual Life	1.1	65.9
9.	Penn. Mutual Life	.8	68.5
10.	Mutual Benefit Life	.8	71.7
11.	Massachusetts Mutual Life	.7	73.4
12.	Aetna Life	.7	75.6
13.	New England Mutual Life	.5	77.3
14.	Union Central Life	.4	78.6

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Insurance--1940--continued

Rank	Name	Assets (B\$)	Cumulative Percent
15.	Connecticut Mutual Life	.4	79.9
16.	Provident Mutual Life	.4	81.2
17.	Connecticut General Life	.3	82.1
18.	Phoenix Mutual Life	.3	83.1
TOTAL ASSETS OF 18 FIRMS		25.6	

Total Number of Insurance Firms in U.S. in 1940 = 444

Total Assets of Insurance Firms in U.S. in 1940 = 30.8B\$

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IV. TRANSPORTATION-UTILITY-COMMUNICATION COMPANIES:<sup>a</sup>


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1970

Rank	Name	Assets (B\$)	Cumulative Percent
1.	American Telephone & Telegraph	49.6	19.0
2.	Penn. Central	6.9	21.6
3.	Consolidated Edison	4.4	23.3
4.	Pacific Gas & Electric	4.3	25.0
5.	Commonwealth Edison	3.4	26.3
6.	American Electric Power	3.2	27.5
7.	Southern California Edison	3.2	28.7
8.	Southern Company	3.1	29.9
9.	Southern Pacific	3.1	31.1
10.	Burlington Northern	2.9	32.2
11.	Norfolk & Western Ry.	2.8	33.3
12.	Union Pacific	2.8	34.4
13.	Chesapeake & Ohio Ry.	2.7	35.4
14.	Public Service Electric & Gas	2.6	36.4
15.	Santa Fe Industries	2.3	37.3
16.	UAL	2.2	38.1
17.	General Public Utilities	2.1	38.9
18.	Philadelphia Electric	2.1	39.7
19.	Columbia Gas System	2.1	40.5
20.	Consumers Power	2.0	41.3

## TUC--1970--continued

Rank	Name	Assets (B\$)	Cumulative Percent
21.	Detroit Edison	2.0	42.1
22.	El Paso Natural Gas	1.9	42.8
23.	Pan American World Airways	1.8	43.5
24.	Virginia Electric & Power	1.8	44.2
25.	Duke Power	1.8	44.9
26.	Texas Eastern Transmission	1.8	45.6
27.	Middle South Utilities	1.7	46.2
28.	Pennzoil United	1.7	46.9
29.	Texas Utilities	1.7	47.5
30.	American Natural Gas	1.7	48.2
31.	Nigara Mohawk Power	1.6	48.8
32.	Southern Ry.	1.6	49.4
33.	American Airlines	1.5	50.0
TOTAL ASSETS OF 33 FIRMS		130.5	

Total Number of TUC Firms in U.S. in 1970 = 67, 311  
 Total Assets of TUC Firms in U.S. in 1970 = 261.0B\$

1955

Rank	Name	Assets (B\$)	Cumulative Percent
1.	American Telephone & Telegraph	14.5	13.6
2.	Pennsylvania RR.	3.0	16.4
3.	New York Central	2.7	19.0
4.	Southern Pacific	2.0	20.9
5.	Pacific Gas & Electric	1.8	22.6
6.	Consolidated Edison of New York	1.6	24.1
7.	Atchison, Topeka & Santa Fe	1.5	25.5
8.	Union Pacific	1.4	26.8
9.	Baltimore & Ohio	1.3	28.0
10.	Commonwealth Edison	1.3	29.2
11.	American Gas & Electric	1.1	30.3
12.	Chesapeake & Ohio	1.0	31.2
13.	Great Northern	.9	32.0



## TUC--1955--continued

Rank	Name	Assets (B\$)	Cumulative Percent
14.	Northern Pacific	.9	32.9
15.	Missouri Pacific	.9	33.7
16.	Southern Company	.9	34.6
17.	Tennessee Gas Transmission	.9	35.4
18.	Southern	.9	36.3
19.	Public Service Electric & Gas	.8	37.0
20.	Southern California Edison	.8	37.8
21.	Chicago, Burlington & Quincy	.8	38.5
22.	Niagara Mohawk Power	.7	39.2
23.	Columbia Gas System	.7	40.1
24.	General Telephone	.7	40.5
25.	Illinois Central	.7	41.2
26.	General Public Utilities	.7	41.8
27.	Chicago, Milwaukee, St. Paul & Pac.	.7	42.5
28.	American & Foreign Power	.7	43.1
29.	Consumers Power	.6	43.7
30.	Louisville & Nashville	.6	44.3
31.	El Paso Natural Gas	.6	45.4
32.	Norfolk & Western	.6	45.4
33.	United Gas	.6	46.0
TOTAL ASSETS OF 33 FIRMS		48.9	

Total Number of TUC Firms in U.S. in 1955 = 29,704

Total Assets of TUC Firms in U.S. in 1955 = 106.4B\$

1940

Rank*	Name	Assets* (B\$)	Cumulative Percent
1.	American Telephone & Telegraph	3.1	5.5
2.	Pennsylvania RR.	2.4	9.7
3.	Southern Pacific	1.9	13.0
4.	New York Central	1.7	16.0
5.	Consolidated Edison	1.0	17.8
6.	Commonwealth & Southern	1.1	19.7

## TUC--1940--continued

Rank	Name	Assets (B\$)	Cumulative Percent
7.	Baltimore & Ohio	1.2	21.8
8.	Santa Fe RR.	1.3	24.1
9.	Union Pacific	1.2	26.2
10.	Standard Gas & Electric	.8	27.6
11.	North American Co.	1.0	29.4
12.	Northern Pacific Ry.	.8	30.8
13.	American Power and Light	.8	32.2
14.	United Gas Improvement	.8	33.6
15.	Great Northern Ry.	.8	35.0
16.	American & Foreign Power	.8	36.4
17.	Commonwealth Edison	.9	38.0
18.	Chesapeake & Ohio Ry.	.8	39.4
19.	Illinois Central	.8	40.8
20.	Pacific Gas & Electric	.8	42.3
21.	Columbia Gas & Electric	.7	43.5
22.	Southern Ry.	.6	44.5
23.	Niagra Hudson	.6	45.6
24.	Public Service Electric & Gas	.6	46.7
25.	National Power & Light	.6	47.7
26.	International Hydro-Electric System	.6	48.8
27.	International Telephone & Telegraph	.6	49.8
28.	United Light & Power	.6	50.9
29.	Norfolk & Western Ry.	.6	51.9
30.	Louisville & Nashville	.5	52.8
31.	American Gas & Electric	.6	53.9
32.	Empire Gas & Fuel Co.	.4	54.6
33.	Middle West Corporation	.4	55.3
TOTAL ASSETS OF 33 FIRMS		31.4	

Total Number of TUC Firms in U.S. in 1940 = 18,680

Total Assets of TUC Firms in U.S. in 1940 = 56.8B\$

\*Ranks are from TNEC Report, '1939; but Assets are from  
Moody's Manuals of 1940.

V. CIVIC AND CULTURAL AFFAIRS:<sup>b</sup>


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Same Institutions Used in 1970 and 1955--  
Sector Not Included in 1940--No Rankings

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Metropolitan Museum of Art  
John F. Kennedy Center for Performing Arts\*  
National Gallery of Art  
Museum of Modern Art  
Metropolitan Opera Guild  
Smithsonian Institution  
Brookings Institution  
American Assembly  
Council on Foreign Relations  
Committee for Economic Development  
National Industrial (Conference) Board  
National Association of Manufacturers\*\*  
American Red Cross

\*Did Not Exist in 1955.

\*\*Not Found in 1955

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VI. FOUNDATIONS:<sup>c</sup>


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1970 Only--Sector Not Included in 1955 or 1940.

Rank	Name	Assets (B\$)	Cumulative Percent
1.	Ford Foundation	2.902	14.6
2.	Lilly Endowment	.778	18.5
3.	Rockefeller Foundation	.757	22.3
4.	Duke Endowment	.510	24.9
5.	Kresge Foundation	.433	27.0
6.	Kellogg Foundation	.393	29.0
7.	Mott Foundation	.371	30.9
8.	Pew Memorial Trust	.367	32.7
9.	Hartford Foundation	.342	34.4
10.	Alfred P. Sloan Fund	.303	36.0
11.	Carnegie Corporation	.277	37.4
12.	Mellon Foundation	.240	38.6
TOTAL ASSETS OF 12 FOUNDATIONS		7.673	

Total Number of Foundations in U.S. in 1970 = 6,745

Total Assets of Foundations in U.S. in 1970 = 19.9B\$

VII. COLLEGES AND UNIVERSITIES:<sup>b,e</sup>

Same Institutions Used in 1970 and 1955--  
Sector Not Included in 1940

Rank	Name	Endowment Assets (B\$)	Cumulative Percent
1.	Harvard	1.013	18.5
2.	Yale	.358	25.0
3.	Chicago	.275	30.0
4.	Stanford	.223	34.1
5.	Columbia	.201	37.7
6.	M.I.T.	.184	41.1
7.	Cornell	.163	44.0
8.	Northwestern*	.135	46.5
9.	Princeton	.134	48.9
10.	Johns Hopkins*	.112	51.0
11.	Pennsylvania	.095	52.7
12.	Dartmouth	.091	54.4
TOTAL ASSETS OF 12 COLLEGES		2.984	

Total Number of Institutions in U.S. in 1970 = 107

Total Assets of Institutions in U.S. in 1970 = 5.488B\$

\*Not Found for 1955.

VII. FEDERAL GOVERNMENT:<sup>d</sup>

Same Institutions Used in All Three Years--  
No Asset Rankings

President and Vice President of the United States  
Secretaries, Undersecretaries, and Assistant Secretaries of  
Cabinet Departments  
Presidential Advisors, Ambassadors-at-Large, Members of  
the Executive Office of the President  
Congressional Leaders, including the Speaker of the House,  
the President Pro Temp of the Senate, Majority and  
Minority Floor Leaders of both chambers, and Committee  
Chairmen and Ranking Minority Members  
Supreme Court Justices

XI. MILITARY:<sup>f</sup>


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Same Institutions Used in All Three Years--  
No Asset Rankings

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Secretaries, Undersecretaries, and Assistant Secretaries of  
the Army, Navy, and Air Force  
Generals and Admirals of the Army, Navy and Marines, and  
Air Force (four star rank only)

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<sup>a</sup>Rankings of corporations and names of presidents and directors are from Moody's Industrial Manual, Bank and Finance Manual, Utilities Manual, Fortune Magazine, and the Temporary National Economic Committee Report (1939). Moody's manuals are published yearly. Fortune's rankings were not available for 1940.

<sup>b</sup>Names of directors supplied by these organizations.

<sup>c</sup>The Foundation Directory (4th ed.; New York: Russell Sage Foundation, 1970).

<sup>d</sup>United States Government Organization Manual (Washington, D.C., published annually); and Congressional Quarterly yearly list of congressional leaders and chairmen ranking minority members of congressional committees.

<sup>e</sup>The World Almanac, 1970 (New York: Newspaper Enterprise Association, 1969), pp. 754-755; supplied endowment asset figures.

<sup>f</sup>U.S. Army Register; Register of Commissioned and Warrant Officers of the U.S. Navy and Marine Corps and Reserve Officers on Active Duty; and U.S. Air Force Register. These are published yearly--Air Force did not exist in 1940.

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B.A.	University of Washington	1967
M.A.	University of Southern Mississippi	1969
Ph.D.	Florida State University	1973

**GRADUATE FIELDS OF STUDY:**

Public Policy (including State and Urban)  
Public Administration (Fiscal Policy, Organization  
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American Government  
Methodology

**MEMBERSHIP AND HONORS:**

American Political Science Association  
Southern Political Science Association  
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Phi Kappa Phi  
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**TEACHING EXPERIENCE:**

Assistant Instructor--University of Southern Mississippi, Hattiesburg, Mississippi, 1968-1969 (12 hrs. per qtr.)  
 Instructor--Lamar State College of Technology, Beaumont, Texas, 1969-1971 (12 hrs. per qtr.)  
 Teaching Assistant--Florida State University, Tallahassee, Florida, 1971-Present (6 hrs per qtr.)

**PUBLICATIONS:**

"Concentration, Specialization, and Interlocking Among Institutional Elites," (with Thomas R. Dye and Eugene DeClercq) to be published in the Social Science Quarterly, June, 1973.

"A Behavioral Analysis of the 1965 Term of the United States Supreme Court," The Southern Quarterly, Vol. 7 (April, 1969), pp. 323-344.

**RESEARCH:**

Masters Thesis: "A Critique of Glendon Schubert's Application his Psychometric Model to the 1961 Term of the United States Supreme Court"

Ph.D. Dissertation: "The Concentration of Power and Authority in the American Political System: Institutional Elites in the Public and Private Sectors"

Paper: "Interlocking and Speicalization Among American Institutional Elites" delivered at the Southwestern Social Science meetings, Dallas, 1973.

**COURSES TAUGHT:**

Introduction to American Government (lower division undergraduate--USM, Lamar, FSU) A Survey of American Politics.

Public Administration (upper division undergraduate--FSU) Introduction to Public Administration and Organization Theory.

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**REFERENCES:**

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