Journal of Policy History (2025), **37**: 2, 90–113
doi:10.1017/S0898030624000149

CAMBRIDGE
UNIVERSITY PRESS

ARTICLE

"One Dedicated, Single-Minded Staff Aide": John M. Blair and Institutional Keynesianism in Postwar US Economic Policy

Samir Sonti

CUNY School of Labor and Urban Studies, New York, NY, USA
Email: samir.sonti@slu.cuny.edu

Abstract

This article uses the case of the economist John Malcolm Blair as a vehicle for examining the durability of the institutional tradition in US economic policy making. Over a multi-decade federal government career, Blair played an important role in focusing policy debate on institutionalist concerns like economic structure and corporate power even through the heyday of the Keynesian Revolution. Indeed, Blair stood as representative of an overlooked postwar policy-intellectual current that strove to anchor the study of macroeconomic issues like inflation and unemployment upon solid microfoundations: what I call Institutional Keynesianism. A primary influence behind such policy developments as the Celler-Kefauver Anti-Merger Act of 1950 and the wage–price guideposts implemented by the Kennedy administration, Blair's work sheds light on the meaningful yet often neglected links between different schools of economic thought and policy domains.

Keywords: US economic policy making; John Malcolm Blair; Institutional Keynesianism; Celler-Kefauver Anti-Merger Act of 1950

In March 2021, President Joe Biden announced his intention to nominate Lina Khan as Chair of the Federal Trade Commission. Then a thirty-two-year-old legal scholar, Khan's reputation as a leader in the field of antitrust policy owed to a provocative study that she had published, while still a student at Yale Law School, on the scope of market control wielded by Amazon. Among the study's central contributions was the recovery of a lost current in US antitrust thought, one that Khan termed "economic structuralism." In the 1980s, she noted, antitrust enforcement came to be dominated by a single principle: the "consumer welfare standard," which viewed price as the sole measure of competition. If the Amazons and Walmarts of the world offered low prices, that is, what was

© The Author(s), 2025. Published by Cambridge University Press in association with Donald Critchlow. This is an Open Access article, distributed under the terms of the Creative Commons Attribution licence (http://creativecommons.org/licenses/by/4.0), which permits unrestricted re-use, distribution and reproduction, provided the original article is properly cited.

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

the problem? In contrast, economic structuralism, which informed antitrust policy during its high point through the middle part of the twentieth century, held that "concentrated market structures" in and of themselves "promote anticompetitive forms of conduct." The target, then, was not just price but also power. In an age of tech giants and other corporate behemoths, Khan concluded, this older concept had much to offer policy makers.[1]

Khan's effort to rehabilitate economic structuralism can help to complicate our understanding of postwar US economic thought and policy. Typically, that is a story of the rise and fall of a variety of Keynesianism preoccupied with economic aggregates and committed to use of general fiscal and monetary policies to achieve macroeconomic stabilization. During the quarter-century of prosperity following World War II, there was a bipartisan consensus on the virtues of countercyclical demand management, epitomized by Milton Friedman's tongue-in-cheek remark, often misattributed to Richard Nixon, that "we are all Keynesians now."[2] Challenging economic conditions in the 1970s, however, served to discredit the Keynesian paradigm.[3] In particular, familiar fiscal and monetary devices seemed incapable of addressing that decade's central conundrum: the simultaneous incidence of rising unemployment and inflation, a phenomenon that contemporaries labeled "stagflation." Keynesians understood how to solve either of those problems on their own, but they were stumped by the onset of the two together. Into this void strode figures like Friedman, Paul Volcker, and Ronald Reagan, the architects of what would come to be known as neoliberalism.[4]

In this article, I build on the work of Khan and others who have shown that economic policy debate in the postwar period included a wider range of ideas and more intellectually diverse cast of characters than just commercial Keynesians and conservative monetarists.[5] Specifically, I connect the structuralism identified by Khan to the institutional school of economic thought, one that had its roots in the work of late nineteenth-century US academics who had been influenced by the inductive methods and historicism then prevalent in German social science. Although scholars have documented the prominence of institutional economists like Wesley C. Mitchell, John R. Commons, and J. M. Clark during the interwar years, I contend that this tradition remained influential within the realm of policy making into the heyday of the Keynesian revolution.[6] Throughout, institutionalism maintained a kinship with the political milieu out of which it had grown—namely, the broad-based tradition of US antimonopolism. At its best, this tradition represented, in Daniel Crane and William Novak's words, a "political movement for increasing democratic control over a constantly changing economy and society."[7] Into the 1970s, economists trained in the institutionalist mold together with a sizeable wing of the Democratic congressional caucus and representatives of industrial unions continued to champion this cause of greater democratization over the governance of modern industrial society—over the megacorporations in particular. For them, policy debate provided an opportunity to participate in the production of economic knowledge even as the heterodox ideas they espoused received less and less of a hearing in academic precincts.[8]

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

To illustrate the durability of institutionalist policy ideas, I examine the career of the economist John M. Blair, who spent the middle third of the century occupying different positions within the federal government: from the Temporary National Economic Committee (TNEC) to the Smaller War Plants Corporation (SWPC) to the Federal Trade Commission (FTC) and finally the Senate Subcommittee on Antitrust and Monopoly. A sometimes "disagreeable," "stubborn," and "irascible" figure, Blair's personal drive during these decades in public life seems to have derived, quite simply, from a visceral hatred of big business. In his work, however, Blair was anything but simplistic, amassing veritable mountains of empirical data to study how corporate power over price and production decisions might produce ongoing economic instability. For Blair, avoiding such hazards as underconsumption, underuse of productive capacity, secular stagnation, and inflation would require not only reliance on the Keynesian toolkit of countercyclical policies but also direct intervention into corporate decision making.[9]

By so linking micro to macro levels, Blair was an architect of what I call, for lack of a better term, Institutional Keynesianism.[10] In the years after World War II, Institutional Keynesians carried forward a policy-intellectual program that blended critiques of specific industries and issues generally understood under the auspices of antitrust enforcement with broader inquiries into the causes of inflation and unemployment. Blair's own work on these fronts played a direct role in shaping two important economic policy developments that are generally not grouped together: the Celler-Kefauver Anti-Merger Act of 1950 and the wage–price guideposts devised by the Kennedy administration.[11]

Ultimately, in the face of the 1970s crisis of stagflation, neoliberal solutions prevailed over the antimonopoly political spirit animating Institutional Keynesianism. In no small part, this owed to the proactive campaign waged by organized business interests and the scholarly output of the Chicago School ideologues with whom they shared a common cause. For decades, conservatives like these had seen in the Institutional Keynesian vision of economic democratization a threat to managerial prerogatives over pricing and production decisions and thereby a challenge to their social authority. Further research might also explore the limits of antimonopoly politics in the context of the 1970s. With intensifying international competition and capital mobility laying waste to once dynamic US industries like steel and automotives, pursuit of a greater degree of public control over the allocation of investment stood as a logical extension of the Institutional Keynesian policy agenda. And indeed, as the historian Patrick Andelic has observed, during these years ambitious ideas about economic planning did circulate widely and inform the highest levels of legislative debate, most importantly around the Humphrey-Hawkins Full Employment Act.[12] It is unclear, however, whether those efforts could have been pushed farther without a reckoning with the blurry line between the regulation of capitalism and the transcendence of it. In any case, that was a threshold that Institutional Keynesians in the end would or could not cross.

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

An Institutional Keynesian

John M. Blair was born in Aurora, Illinois, on December 19, 1914, the tail end of a storied year in Progressive policy making, when Woodrow Wilson signed into law the Clayton Antitrust and the Federal Trade Commission Acts and the Federal Reserve Board opened its doors. An upbringing in the South, where populist passions continued to run white hot, left Blair with the antimonopoly bug from an early age.[13] It was, after all, not by chance that a disproportionate number of the legislators dotting the annals of twentieth-century antitrust policy history came from below the Mason-Dixon line: Rep. Henry D. Clayton, Jr. of Alabama, Sens. Joseph T. Robinson and John E. Miller of Arkansas, Rep. Wright Patman of Texas, Rep. Millard Tydings of Maryland, and Senator Estes Kefauver of Tennessee. These were Jim Crow Democrats, ranging from rabid white supremacists to cautious supporters of incremental racial reform, for whom the corporate form of business organization smacked of outside encroachment. Yet the seething contempt toward big business so widely felt among their constituents was also responsible for prying open the space for the contradictory alliance between urban liberals and representatives of the old confederacy that ultimately made the New Deal possible.

On the intellectual front, the notion that the increasing concentration and centralization of industries at capitalism's commanding heights might necessitate a reconsideration of the principles on which classical economic theory had been built began to interest social critics in the United States and elsewhere in the late nineteenth century—not by chance, just as currents that would give way to the Populist upheaval moved antimonopolism to the forefront of political debate.[14] By the 1930s, multiple strains of such thought had coalesced into a broad heterodox interpretation that homed in on the way in which the realities of corporate power had obliterated the orthodox presumption of a perfectly competitive system conditioned by the price mechanism.[15] Politically speaking, the most influential such contribution was Adolf Berle and Gardiner Means's 1932 study, *The Modern Corporation and Private Property.* The voluminous empirical data on stock holdings, interlocking directorships, and asset ownership that Berle and Means packed into the book enabled them to make an argument so provocative that it almost instantly spawned a new way of thinking about corporate governance: big business organizations had grown to the point at which their diffuse shareholding owners had been forced to cede control to a small clique of decision-making managers.[16] If few would go so far as a left-liberal like Stuart Chase, who saw in *The Modern Corporation* evidence for the conclusion that "[t]hese great properties are ripe for collective ownership and management," a growing number of economists and most New Dealers did thereafter come to believe that questions of economic structure and corporate power had to be placed at the center of policy debate.[17] This structural view gained additional purchase with the onset of the 1937 recession, which many inside the Roosevelt administration attributed to "administered pricing," a term coined by Gardiner Means to describe the tendency of large firms to respond to demand shortfalls with price rigidity and production cuts.[18]

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

Of course, all of this happened to occur just when John Maynard Keynes launched *The General Theory* on the world, when "Second New Deal" programs zeroed in on the problem of underconsumption, and when Franklin Rosevelt was won over to the merits of deficit spending. "When liberals spoke now of government's responsibility to protect the health of the industrial world," Alan Brinkley wrote of this turning point in his influential study, *The End of Reform*, "they defined that responsibility less as a commitment to restructure the economy than as an effort to stabilize it and help it grow."[19] And to be sure, there is much to recommend this view. As the mobilization for war got underway, the most influential economist in the United States was not someone like Gardiner Means but rather the Keynesian-convert Alvin Hansen. Already by 1937, moreover, the British economist John R. Hicks had initiated the process of integrating the core insights contained in *The General Theory* with the principles of orthodox price theory, an effort that resulted in the so-called neoclassical-Keynesian synthesis. This framework, under which countercyclical fiscal and monetary tools were assumed to operate within a context of perfect competition and price flexibility, grew to dominate postwar academic economics under the stewardship of figures like Paul Samuelson of MIT. Associated with the Phillips curve, which posited an inverse relationship between unemployment and inflation, it was this variety of Keynesianism that critics argued could not account for the 1970s crisis of stagflation.[20]

Yet structuralist perspectives did not simply vanish with the ascendance of Keynesian thought. Indeed, for several decades to come, what might be called an Institutional–Keynesian synthesis stood as an influential rival to the more well-documented neoclassical–Keynesian synthesis. This Institutional Keynesianism linked the structuralist attentiveness to corporate organization with a broader purchasing power analysis that would soon fall under the rubric of Keynesianism. In its most specific articulations, Institutional Keynesianism viewed the inflexibility of prices as a causal factor behind the underuse of productive capacity, inadequate investment, and underemployment. Therefore, achieving full employment and sustained growth would require not only expansionary fiscal and monetary measures but also targeted intervention into corporate decision making.[21]

Yet it was one thing to understand the deleterious macroeconomic consequences of excessive corporate power and another matter altogether to settle on what to do about it. At issue, as Ellis Hawley famously put it, was the "problem of monopoly" that cut through so much New Deal policy thought. In its most crude forms, this could descend into a debate between competition and planning—whether to break up the corporations or subject them to social control. The division between, say, the National Resources Planning Board, an agency that Gardiner Means and others hoped might move the United States in the direction of centralized planning, and the Antitrust Division of the Department of Justice, which under the leadership of Thurmond Arnold crusaded against bigness, seemed to exemplify this dichotomy.[22]

In practice, however, the substantive distance separating these two approaches often amounted to scarcely little. This was because Institutional Keynesians were inspired by neither an imagined Brandesian vision of atomistic

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

competition nor one of widespread public ownership and central planning but by something more organically steeped in the country's progressive culture: a broad antimonopoly vision that strove extend the reach of democratic governance over any and all business activity that affected the public interest. Increasingly, they came to understand such structural interventions as part and parcel of broader business cycle management. Indeed, Institutional Keynesians might be understood as modernizers of what historian William Novak has called the "public utility idea," a policy-intellectual offspring of antimonopolism that from the late nineteenth century to the 1930s was virtually synonymous with economic regulation. Through the middle part of the twentieth century, this continued to serve as the well from which those who shaped—and those were shaped by—New Deal liberalism drank. Antitrusters, planners, and the proponents of a range of regulatory pursuits in between were all species of a common antimonopoly genus.[23]

John Blair was representative of the type. In 1938, as a twenty-three-year-old economics graduate student at American University, Blair published his first book, *Seeds of Destruction: A Study in the Functional Weakness of Capitalism.*[24] Some years later, he described the work as an "attempt to relate the subject matter of institutionalism to what has become the subject matter of all that now goes under the name of Keynesian economics."[25] To that end, *Seeds of Destruction* set out to identify the conditions under which "enough purchasing power to consume most of the goods produced will not and cannot be distributed." These were, Blair concluded, that (1) "capitalism must not cast out of employment a progressively increasing number of workers nor lower the relative wages of those employed," (2) "capitalism must not progressively raise prices without correspondingly raising wages," (3) "capitalism must not distribute a large portion of its income to the upper income groups," and (4) "capitalism must be ever expanding." After a rigorous empirical study of recent economic history, through which he diagnosed corporate trends toward technological displacement of labor, rigidity of prices, and maldistribution of income, Blair found that none of these criteria were likely to hold. "The result," then, "cannot be interpreted as anything but a none-too-happy picture of capitalism and its probable future."[26]

Reviewing the book in the *American Economic Review*, the famed institutionalist John R. Commons concluded that "it might well be designated a promising pioneer in the twentieth century reconstruction of economic science on the principles of 'relativity,'" and Leon Henderson, then directing the TNEC, expressed "hope [that] many young people will come in contact with it since it can be so helpful, not only in establishing a basis that is neither classical nor radical, but also in spurring others to do new work." If it was neither classical nor radical, however, the Socialist Party leader Norman Thomas nevertheless felt that *Seeds of Destruction* "does what cried to heaven for doing and what no other book has done: that is, it shows how capitalism is not meeting the test of a proper and adequate society." Another writer remarked in *The Washington Post* that Blair's work "should be read by law makers and public servants, by professors and students, by preachers and housewives," by most everyone, that is, except "captains of industry and financiers."[27]

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

Immediately thereafter, Blair joined the staff of the TNEC, thus beginning a federal career that would last until 1970. Over the following decade, from positions in the TNEC, the SWPC, and the FTC, Blair's structural investigations would center on three pressing antitrust policy areas: price discrimination, the function of technology in the corporate economy, and mergers and acquisitions. In some cases, Blair focused on the powerful firms setting prices below "fair trade" levels.[28] In others, he focused on those businesses keeping prices too rigid and too high. In some cases, he worried about the soaring productivity of larger firms and the problem of technological unemployment. In others, he identified a weakening correlation between business size and productive efficiency. And he felt that the failure of the existing antitrust statutes to prevent economic concentration from increasing had to be corrected. The common denominator, however, was the old antimonopoly conviction about the necessity of economic democratization.

At the TNEC, for instance, Blair and Arthur Reeside coauthored the report *Price Discrimination in Steel*, which focused on the discounts offered by the major steel firms to their larger customers—a practice that they insisted undermined the competitive position of smaller steel users.[29] The issue of larger corporations' favorable treatment of one another had long been important to antimonopoly politics, a preoccupation that increasingly came to center on the threat that national chain stores, with their immense buying power, presented to independent retailers. In the 1936, this gave way to the Robinson-Patman Act, which outlawed the sale of goods to "preferred customers" at lower prices—a direct intervention of public authority into a theretofore private economic domain.[30] With respect to *capital* goods, however, monitoring and enforcement of price discrimination prohibitions proved more complex than it had in the retail sector. Particularly hard to discern was the functioning of the basing-point system, the "harmful effects" of which, Blair later remarked, "were exceeded only by its difficulty of description."[31] Put simply, the basing-point system was a shorthand characterization of the way in which capital goods manufacturers added freight charges to the prices quoted to final buyers—the longer the distance the product (say, steel) had to travel between the plant at which it was produced and the location of the end user, the more the buyer would pay. Although straightforward enough in theory, critics argued that the practice provided considerable cover for big manufacturers to conceal price hikes or discounts through a variety of techniques. Terms like "freight absorption," "cross-hauling," and "phantom freight" were some of the many charges that stoked populist ire over the years.[32]

The release of Blair and Reeside's report coincided with the filing of an FTC complaint against the basing-point system in the cement industry, which the agency alleged had been maintained via illegal collusion among leading firms. In time, this led to a Supreme Court decision affirming the commission's authority to enforce prohibitions on such practices.[33] In response, industrial firms mounted a furious lobbying campaign for legislation that would explicitly permit manufacturers to exclude the basing-point system from coverage under the Robinson-Patman Act. "[W]e are going to be right in this basing point fight again," Senator Hubert Humphrey (D-MN) wrote in early 1950 to Blair, by then at the FTC, thus necessitating a "knock-down, drag-out fight on this question of

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

monopoly and concentration." Humphrey sought Blair's assistance in constructing an empirically grounded argument with which he intended to wage a campaign on "the growth of monopoly and the pyramiding of corporate ownership and power." That spring, Congress did pass the Basing Point Act, the intention of which was to nullify the Court's decision. But Blair's behind-the-scenes efforts built a case that succeeded in convincing President Truman that the bill "would have the practical effect of nullifying the Robinson-Patman Act." Truman's prompt veto statement was thus, Sen. Estes Kefauver (D-TN) exclaimed, "a definite victory of John Blair."[34]

Alongside these arcane debates over the basing-point system, Blair worked to develop an analysis of the relationship between technological change and economic concentration. Like many others during the 1930s, Blair first approached this question out of a concern with the appearance of "technological unemployment." In another TNEC study, *Technology in Our Economy*, this one coauthored with Ruth Aull and Lewis Lorwin, Blair and his collaborators contended that job losses resulting from mechanization could only be offset through a commensurate expansion of sales, and achievement of greater sales, they continued, would require price cuts reflective of the lower unit costs firms now enjoyed. But a detailed analysis of productivity and price data from various concentrated industries showed that this adjustment mechanism was not functioning. There, price inflexibility prevented any increase in sales, with the consequence that unemployment steadily increased. In fact, technological advancement had only advanced the problem of concentration, which made prices that much more rigid. The corporate economy, in short, was marked by a "fundamental contradiction." On one hand, technology "creates tremendous economic problems through the displacement of labor," and on the other hand "it induces concentration, thereby impeding the operation of the compensatory force of price reductions."[35]

The most significant stimulant to the trend of concentration, however, was war. Blair spent the years between 1942 and 1945 at the War Production Board and the SWPC, the latter providing a base from which he directed an investigation that resulted in the report, *Economic Concentration and World War II.* This study documented the way in which corporations' improved production methods, internal financial health, and above all acquisitions of government-built war plants had served to accelerate the already alarming pace of corporate conglomeration.[36] Blair confined his analysis to the statistical measurement of concentration levels in critical war and nonwar industries, and he also used his position at the SWPC to recruit others—like the young University of Maryland sociologist, C. Wright Mills—to investigate the broader social implications of this dynamic. "Economic concentration can never be justified," wrote Mills and his coauthor, Melville Ulmer, in the resultant SWPC report, *Small Business and Civic Welfare*, "if it tends to develop cities in which there exist, for example, overcrowding, a high infant death rate; low per capita public expenditures for education, health, and recreation; low per capita installation of electricity, gas, telephones, etc." A comparison of metropolitan regions in which big or small business predominated, Mills and Ulmer wrote, showed that the former fared

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

worse on each of those counts, a "rather interesting" finding, Blair later commented, which "received little, if any, notice in the academic journals."[37]

So, what was to be done? Since the mid-1920s, FTC officials had insisted that a loophole in Section 7 of the Clayton Act provided an opening through which corporate mergers and acquisitions proceeded in defiance of the spirit of the law. Although purchases of the stock of rival firms had been expressly prohibited, corporations were not prevented from buying the *assets* of their competitors. Due to this oversight, Blair and his FTC staff detailed in an influential 1948 study, *The Merger Movement: A Summary Report*, that more than 2,450 manufacturing and mining companies, valued at roughly 5.5% of the wartime total of all industrial corporations, had "disappeared as a result of mergers and acquisitions" between 1940 and 1947 alone. The furious rate of consolidation, they added, had fed a "profits-merger spiral," through which vast "corporate surpluses" piled up "in the form of reservoirs of unused working capital." "In the absence of any government restriction," Blair and his coauthors continued, "it is only to be expected that business will tend to seek outlets for these funds through the purchase of competitors, supplies, distributors, or even organizations engaged in completely unrelated lines of activity."[38]

During the immediate postwar years, bills to close the asset loophole snaked their way through different congressional committees, each time encountering roadblocks prior to reaching the House or Senate floors. As assistant chief economist of the FTC, Blair pushed the commission to ratchet up its campaigning on behalf of the legislation, in effect leading this federal agency to act, as the sociologists Bill Luchansky and Jurg Gerber put it, as a "social movement organization."[39] During his time at the SWPC, Blair had successfully interested then Rep. Estes Kefauver of Tennessee in the issue, and the latter took it up as his principal legislative objective upon entering the Senate in 1949. That year, the bill finally cleared the House, and after the Senate version passed in December 1950, President Truman signed the Celler-Kefauver Anti-Merger Act into law just after Christmas. "Without [John Blair's] constant and continuing help," FTC Commissioner John Carson wrote in congratulations to Sen. Kefauver, "I doubt that the [legislation] would have passed." Truman too recognized Blair's contribution, giving the economist one of the pens with which he signed the bill and expressing gratitude for his role in achieving this "important landmark in the history of this Nation's efforts to strengthen democracy by combatting monopoly and promoting competitive free enterprise."[40]

Looking back in the late 1970s, longtime FTC economist Willard Mueller noted that Celler-Kefauver was widely considered to be "the most important piece of antitrust legislation in the last half century"—it was "to the Nation's industrial market structure what preventative medicine is to the Nation's health." Although merger activity continued to increase in the decades after the bill's passage, FTC authorities aggressively acted against large firms in particular. Between 1951 and 1977, more than 60% of acquisitions attempted by businesses with a capitalization of greater than $1 billion encountered an FTC challenge. The number of mergers prevented through the deterrent effects of the statute surely ran even higher.[41] But as Chief Justice Earl Warren wrote in a unanimous 1962 opinion upholding the act, Celler-Kefauver had been passed not only to stem

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

"accelerated concentration of economic power on economic grounds" but also to counter "the threat to other values a trend toward concentration was thought to pose."[42] It was the integrity of democracy itself, no doubt, that ranked as the most sacred of those values in the minds of Blair and other mid-century Institutional Keynesians.

"The No. 1 Domestic Economic Problem"

Soon after the passage of the Celler-Kefauver Act, the ideological climate rapidly became less hospitable to Institutional Keynesian thought. The chilling effects of McCarthyism and the cold war at home extended far and wide, silencing even rather mundane structuralist analyses of the US economy.[43] Indeed, in Blair's view it was no coincidence that increasingly abstract mathematical economics grew ever more influential within the academic discipline during this time. "[I]n these days of loyalty and security investigations," he complained to his then friend, George Stigler, "to express one's views in the English language (even in the horrible style of most economists) brings one pretty near the cliff; and on top of that to be concerned with controversial issues practically invites disaster." "How better to avoid these latter two dangers," he added, "than to be a mathematical economist"—to express one's ideas "in a manner incomprehensible even to the most zealous of investigators."[44]

Blair did hope that the "mathematical medieval scholasticism which has spread over the profession like a plague" could be contained.[45] Inclusion of figures like C. Wright Mills and David Riesman in conference programs and journals, he implored AEA President Edwin Witte in 1956, might influence younger economists, among whom "the virus of deductive reasoning is striking most severely," and persuade them that the field could in fact be "alive at the exciting prospect of learning new truths from the examination of reality." Such "fuzzy" areas as history, sociology, and anthropology had much to offer the "science" of economics, he wrote to another colleague, yet most students were instead simply instructed to acquire a "knowledge of calculus, a subscription to *Econometrica* and a textbook by [MIT economist Paul] Samuelson and you are ready to go." From editors like B. F. Haley of the *American Economic Review*, however, Blair "regretfully" received rejections on the grounds that, as he paraphrased, "articles dealing with substantive issues in the real world and which have policy implications of the highest order" apparently were not of interest to the journal's readers.[46]

Meanwhile, another academic development that at the time received less attention than the rise of mathematical economics but would to be prove of considerable historical import was underway at the University of Chicago. Through the 1930s, faculty at that famous Department of Economics had clung to the classical liberal view that corporate power, through its subversion of competition and entrepreneurial initiative, stood, in the words of Henry Simons, as "the great enemy of democracy."[47] By the end of World War II, however, the leaders of Chicago economics had pivoted sharply, concerned over what they perceived as antimonopolism's tendency to gravitate toward anticapitalist

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

conclusions.[48] The issue appeared on the agenda of the first meeting of the Mont Perelin Society, and under the guidance of Friederich Hayek and Aaron Director, Chicago subsequently established institutions like the Free Market Study and the Antitrust Project. These projects, the historian Rob Van Horn has explained, set out "to reformulate the classical doctrine with respect to monopoly and corporations," and in time succeeded in "transforming the fundamental economic approach to these issues and giving birth to a significant tenet of neoliberalism."[49] Before the 1950s were up, Director's team had convinced one of the profession's leading proponents of vigorous antitrust enforcement, George Stigler, to leave a position at Columbia and join the Chicago crusade.[50]

The about-face of a confidant like Stigler and the broader academic currents of which it was a part annoyed Blair to no end, but the most consequential forces bearing on this government economist's work were political. During the 1950s, the FTC came under increasing fire for its enforcement of statutes prohibiting price discrimination. In 1951, the Supreme Court issued two decisions that widened the legal space afforded to firms seeking to circumvent antitrust litigation, and soon after a majority of justices ruled in favor of a stricter burden of proof on FTC charges of Robinson-Patman violations.[51] Then, as Blair put it a bit dramatically, "a holocaust swept the [FTC] in 1953," as long-standing business opponents of antitrust enforcement found a friendly audience in the Eisenhower administration. Already forced to work under conditions of inadequate funding—the 1952 FTC *Annual Report* noted that the agency then had fewer staff than it did at the time of World War I—the commission's budget would take a further hit with a Republican occupying the White House.[52] In particular, Sen. Paul Douglas (D-IL) worried early that year, "the Robinson-Patman Act is in for some tough sledding," and he was not far off the mark—the Attorney General's National Committee to Study the Antitrust Laws that was established in mid-1953 devoted more attention and criticism to that statute than any other.[53]

The shifting politics surrounding antitrust enforcement, in general, and the Robinson-Patman Act, in particular, also affected Blair's standing within the commission itself. In late 1952, outgoing FTC Chair James Mead "subjugated" Blair to a role that confined him to the preparation of research studies, thus isolating the economist from active work on Robinson-Patman Act cases and other litigation. Sen. Douglas complained that Blair had been "demoted" due to his efforts "to defend the interests of the consumer and small business," which had made him the kind of "enemies" that "never let up," and Sen. Estes Kefauver denounced Mead for placing Blair in the easiest to cut kind of position in any agency—the drafter of reports.[54] Others saw even deeper factors at play. In *The Washington Post*, Drew Pearson speculated that Blair's fate had resulted from his having agitated for the release of a "secret" report he had worked to prepare, *The International Petroleum Cartel*, which contained findings "embarrassing to the Nation's biggest oil companies."[55] Allegedly, Blair had privately notified Senators Thomas Hennings (D-MO) and John Sparkman (D-AL) of the existence of the report, leading the two to pressure the Truman administration to consent to its release—something the latter had been hesitant to do. Indeed, CIA Director Walter B. Smith informed President Truman that the report "will provide material for exploitation by anti-United States elements in the Middle East

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

and elsewhere" and called for significant redactions to the document which, in his view, would at least "mitigate the adverse effect of its publication."[56]

Whatever exactly precipitated Blair's downfall at the FTC, it was painful. "[L]ife has been quite lonely and very bitter for me during the last few years," he wrote in 1955, thanks to "the agony of watching the disintegration of an economic shop and of an economic work that I spent so many years trying to build up."[57] Correspondence with colleagues and attempts to complete private writings at night and on the weekends provided Blair, as he put it, with "a shaft of light in my solitary cell," but aside from some teaching at the American University economics department and the occasional academic publication, these were dark days indeed.[58]

By the end of the decade, however, Blair's fortunes had changed, once again for reasons above all political. In 1957, Sen. Estes Kefauver—with whom the economist had long been "intellectually, ideologically, and idealistically simpatico"—secured the position of Chair of the Senate Subcommittee on Antitrust and Monopoly.[59] Kefauver was then a household name in US politics, not only for his work on the antimerger legislation but also for having led a series of sensational, televised hearings into organized crime and run on the 1956 Democratic ticket alongside Adlai Stevenson. Kefauver was also a favorite of industrial unions, including the UAW, and even some socialists—like the writer Harvey Swados, who would later author a hagiographical celebration of the Tennessean's life.[60]

Kefauver promptly recruited Blair to join his team as Chief Economist, secured a substantial increase in the subcommittee budget, and began "the preparation of a comprehensive, systematic study of unprecedented scope and intensity" into the effects of corporate power.[61] Specifically, Kefauver and Blair set out to investigate the relationship between economic concentration and the "new inflation," which had become the subject of intense policy debate in the latter 1950s. By new inflation, contemporaries referred to the tendency of prices to increase even under conditions of weak demand—a moderate preview of the conundrum that would erupt into a full-blown crisis during the "stagflation" of the 1970s.[62] In response to a strong recovery from the post–Korean War recession, the Federal Reserve, under the direction of William McChesney Martin, tightened monetary policy in 1956. Even as unemployment climbed and growth slowed, however, the overall price level continued its upward creep. Through the recession that began in later 1957, the annualized rate of inflation remained stuck above 3%—high, by 1950s standards.[63] With the traditional "demand-pull" and monetary explanations of inflation obviously inadequate in such a context, conservatives and business officials placed the blame squarely on organized labor for driving income growth ahead of productivity and thereby supposedly initiating a "wage-price spiral." In response, UAW President Walter Reuther urged Kefauver to use his new authority to undertake a study of "the root causes of the creeping inflation" that might determine "where the fault really lies so that the innocent will not be condemned for the sins of the guilty."[64]

Aided by a formidable lobbying effort by the UAW, which secured the Democratic leadership's blessing for such an investigation, Kefauver and Blair focused on the problem of "administered prices" in driving the new inflation.

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

The concept of administered prices dated to the 1930s, when Gardiner Means had coined it to argue that price inflexibility led firms to meet reduced demand with lower production levels—thus touching off, during the Depression, a vicious spiral of collapsing incomes, investment, and employment. Outside the context of depression, Kefauver, Blair, and Means believed, price inflexibility was likely to result in sluggish economic growth and steadily rising prices.[65] Thus, by "determining the nature and possibly injurious economic effects of pricing and production policies in so-called 'administered price' industries," Blair wrote in an internal memo, the subcommittee could "focus the attention of those involved in public policy where the real inflationary danger exists." Specifically, it was incumbent on Kefauver's body to make the case that "the present inflation, about which so much concern is being voiced at present time, is not a 'demand' inflation or a 'monetary' inflation'" but rather "a 'price' inflation which is almost entirely confined to the administered price industries." Of particular concern to Blair, Kefauver, and Reuther was to establish that the Federal Reserve's program of monetary tightening was an ineffective way of dealing with this new inflation and to shed light on the importance of developing alternative anti-inflation policies.[66]

In July 1957, after U.S. Steel announced a substantial, across the board price increase even as an unstable economy teetered on the brink of contraction, Kefauver and Blair launched the subcommittee's hearings on administered prices.[67] The "No. 1 domestic economic problem—the problem of inflation," Kefauver averred at the outset of the investigation, cannot be understood apart from recognition of the fact "that within a broad area of the economy prices are set, not automatically by the unseen hand of competition, as are the prices of wheat and hogs, but by the conscious and deliberate action of corporate managers who have the power to set prices at alternative levels."[68] Blair had anticipated that corporate officials' "principal line of defense would be that costs, particularly labor costs, have risen, making necessary an upward adjustment in price," and he insisted that the subcommittee avoid "the impossible undertaking of trying to evaluate the validity of cost studies for particular products." Instead, Blair encouraged Kefauver to simply point to the soaring profits enjoyed by major industrial firms through the 1950s—with respect to U.S. Steel, for instance, he noted, the subcommittee "would be perfectly justified in taking, in effect, the position that, while [labor cost] increases may indeed have occurred, their impact on the company's earning capacity could not have been very serious in view of its high and increasing rate of profit."[69]

In the subcommittee's final report on the steel industry, which it framed as "the underpinning of our entire economy," Blair marshaled a heap of data to demonstrate that the growth in U.S. Steel's profits per ton well exceeded any increases in labor costs, that those profits stood at record highs, and, indeed, that the firm had set prices at a level enabling it to break-even at a very low level of capacity utilization.[70] Kefauver and Blair identified similar pricing and production patterns in the automotive industry, but in that case, wasteful expenditure on "style," "frills," "fancification," and advertising served to even further increase the cost of already pricey vehicles.[71] The punchline, as UAW research director Nat Weinberg put it, was that the new inflation resulted from corporate

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

efforts to get "profits out of the American consumer by shortchanging them."[72] Or as United Steelworkers of America Research Director Otis Brubaker saw it, the subcommittee's conclusions would prove "extremely useful to our Union in the current public controversy over whether wage increases are responsible for inflation or whether it is the greed of the Industry for exorbitant Profits … which is the culprit."[73]

In policy terms, the conclusion drawn by the majority of economists appearing before the subcommittee was that traditional measures like restrictive monetary policy would do little to address the sources of rising prices and would only aggravate the slack that was already visible in the economy. Indeed, John Kenneth Galbraith observed, "monetary policy has been applied with steady vigor," and yet "the companion effect, so far, has been a steady increase in prices."[74] Gardiner Means, who coined the term "administrative inflation" to characterize this distinctly "new phenomenon," insisted that until policy makers grasped the "actual pricing processes involved" they would be "quite as likely to make bad, as good, national policy decisions."[75]

As Blair noted to the economist Seymour Harris, after demonstrating the limits of a "tight money policy, the question arises as to what we are for besides that policy."[76] The most well-formulated proposal to come out of the investigation was a bill introduced by Sen. Joseph O'Mahoney (D-WY) that would have required firms with substantial market share in a given product line to provide advance notification and appear before a public hearing prior to increasing prices. As Walter Reuther put it in endorsing the concept, when a firm becomes so "powerful" as to achieve a market share of 20% or more, then "they ought to operate in a goldfish bowl as far as their economics are concerned."[77] If this did not quite portend the return of Office-of-Price-Administration-style controls, the attention Blair and Kefauver had focused on the new inflation was meaningful enough to worry the *Wall Street Journal*—especially after the Democratic romp in the 1958 midterm elections—that the "biggest anti-business drive since [the] New Deal" may be forthcoming.[78]

Corporate executives and their allies slammed the subcommittee's findings, of course, and repeated the assertion that wage growth in excess of productivity necessitated higher prices—even as they all, as a rule, refused to share any data to prove the point.[79] But conservatives' main strategy was simply to denounce Blair as an unreliable radical. Republican Sen. John Butler (R-MD) felt that the investigation had "wittingly or unwittingly" advanced the agenda of industrial unionists, and Sen. Everett Dirksen (R-IL) blamed the subcommittee's findings on the "theoretical, preconceived, biased economic and legal analysis developed by the subcommittee staff," by which he meant John Blair.[80] Roger Blough decried the "thoroughly biased and distorted view" of Blair and Kefauver, who would unfairly begin the hearings by "pronouncing your business guilty of all kinds of unsavory practices" and then "[assure you] in a friendly manner that the committee will now launch a completely unbiased investigation of the facts."[81] Donald Rogers of the *New York Herald Tribune* informed readers that Blair proceeded "from the premise that we all hold socialistic beliefs, that we all believe business is too big, that we all feel the worker has been abused in our industrialized, capitalistic society," and Republican Rep. Hugh Scott (R-PA)

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

questioned the advisability of having "in Government men [like Blair] who hate and fear capitalism."[82] And in the finest form of naked red-baiting, a *National Review* editorial warned that Blair's very presence "takes the old-timers back to the good old New Deal days when the staffs of similar congressional committees were being run by Alger Hiss, Lee Pressman, John Abt, Henry Collins, and friends"—a reference to the members or alleged members of the Communist Party named by Whittaker Chambers in his 1952 tell-all book, *Witness.*[83]

Whatever one thought of Blair, however, the efforts of the Subcommittee on Antitrust and Monopoly had successfully set the terms of debate on the politics of inflation by the end of the decade. The "catalogue of economic blasphemies," presented by Blair, Bernard Nossiter commented in *The Washington Post*, would surely "shake the lobbyists, agitate faculty rooms, and tax the ingenuity of the public relations boys for years to come."[84] More than a few "veteran observers of Congressional hearings," wrote Edwin Dale in the *New York Times*, considered their collective performance "as among the most stimulating in memory."[85] To I. F. Stone, Blair's work, and in particular his insights into the automotive industry, "will be a joy to the anthropologist with a sense of humor; no primitive tribe exhibits odder folkways. The intricately planned irrationality and calculated wastefulness is here laid bare for the social psychiatrist."[86]

More consequential commentary arrived in February 1959, when Raymond Saulnier, the conservative chair of Eisenhower's CEA who had consistently defended the Federal Reserve's tight money policy, announced that he had been swayed by the administered price thesis. "[W]e would have been better off if we had avoided the price increases that occurred [in] the heavy industries and in those producing automobiles," Saulnier admitted, adding that "these price increases were a major factor" behind the recent inflation and economic underperformance.[87] Not a month later, Woodlief Thomas, a senior economist for the Federal Reserve Board, published an opinion piece in *The Washington Post* endorsing many of the subcommittee's conclusions. To be sure, Thomas did not disavow the central bank's earlier efforts to halt the mid-1950s "creeping inflation," but he did acknowledge that the investigation had "made a significant contribution to a better understanding of the problems of inflation and fluctuations in economic activity and employment." Administered prices in heavy industry produced "distortions and inflexibilities in the price and income structure," Thomas continued, which ordinary "monetary and fiscal policies" may be unable to mitigate.[88] Although this "revolution in thought" did not necessarily imply that the nation's central bankers "now favor price or wage controls or any form of direct Government intervention," Edwin Dale observed in the *New York Times*, "the sharp change in thinking about the problem is the sort that would necessarily precede a decision that controls are necessary." And, with a presidential election looming, Dale recognized that a "Democratic President might be even less reluctant than President Eisenhower to choose the road of controls."[89]

The incoming Democratic president did not choose the road of controls, but the efforts of Blair and Kefauver's Subcommittee on Antitrust and Monopoly did push the Kennedy administration—concerned about a growing balance-of-payments deficits but wary of appearing insensitive to persistently high unemployment—to adopt a novel approach to inflation control: this was the system of

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

wage–price "guideposts," which involved public officials jawboning business and labor leaders to settle on wage agreements in line with productivity growth. The idea was that by ensuring stability in unit labor costs, firms could be expected in turn to keep prices steady, a theoretical win-win through which the fruits of growth were to be spread equitably among all stakeholders: business, labor, and the consuming public. In practice, it proved easier to describe the guideposts than to implement them, and from the first try—the infamous 1962 steel dispute—onward, frustration abounded among all involved parties. Nevertheless, the guideposts represented an Institutional Keynesian understanding of inflation—one inspired by the conviction that alternatives to demand-restraining anti-inflation policy had to be developed. The August 1971 decision by a Republican president, Richard Nixon, to move beyond the guideposts and impose outright wage and price controls underscored just how durably influential those Institutional Keynesian ideas had become.[90]

Conclusion

Commenting on Blair's 1970 retirement into academic life, Bernard Nossiter of *The Washington Post* hailed the economist's "enormous contribution to charting the contours of American industry" and in particular his "extraordinary monument" of empirical data, structuralist analysis, and public testimony from "which scholars and officials are likely to draw for a long time to come." But more important still, Nossiter felt, was Blair's immediate influence on the formulation of economic policy. "It is unlikely," he concluded, "that guideposts, jawboning and other devices to introduce public interest into corporate decision-making would have been on the political agenda without Blair's work." Yet if Blair very much deserved to be recognized as "a remarkable example of what one dedicated, single-minded staff aide can achieve," it was also the case that the project of introducing the public interest into corporate decision making was not his doing alone. Blair was, rather, but one example of the Institutional Keynesian policy-intellectual arc that sprang from the old antimonopoly tradition.[91]

When Blair died in 1976 at the age of 61—just weeks before the publication of his final book on the role of the major oil companies in the energy crisis, *The Control of Oil*, which John Kenneth Galbraith felt should be "the basic source for years to come"—the crisis of stagflation was shaking the foundations of US liberalism. On one hand, the troublesome economic condition of simultaneously rising prices and unemployment provided an opportunity for an Institutional Keynesian critique of the corporate economy—just as a less-severe version of the same dynamic had done in the late 1950s.[92] At the same time, however, a rapidly changing global competitive landscape exposed the Institutional Keynesian preoccupation with economic concentration to greater critique. What was more, by the end of his life, Blair's frustration with what would later be termed "regulatory capture" had left the economist increasingly open to the idea that it would require an older style of Brandeisian trust busting to tame the corporate behemoths. Meanwhile, others went even further, like the economist Alfred

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

Kahn who argued that the principal culprit behind the 1970s inflation was the regulatory state itself.[93]

In the end, the most formidable obstacle in the way of the Institutional Keynesian-antimonopoly agenda of increasing the scope of public control over corporate activity was political. Just as Blair's professional fate over the course of the 1950s had moved with the winds of political opportunity, so too did the policy-intellectual project of which he was a part suffer a profound defeat in face of the 1970s business mobilization against the New Deal Order.[94] Many unionists, civil rights leaders, heterodox economists, and progressive Democratic members of Congress did indeed insist that the crisis of stagflation could only be resolved through democratic economic planning and greater degree of public control over the allocation of investment, ideas kindred to those of the Institutional Keynesians. But these forces lacked the political capacity to endure the kind of confrontation with a well-organized and clear-eyed corporate opposition that invariably would have had to precede realization of that vision. And business interests, for their part, had good reason to mobilize as they did, for the Institutional Keynesian worldview, taken to its logical conclusion, anticipated a significant—even radical—reorganization of power in the political economy. Ultimately, then, the history of Institutional Keynesianism can serve as reminder of the most basic of political lessons: that the contest of policy ideas is always at bottom a struggle over whose interests those ideas serve—and whose they threaten.

Notes

[1] Lina M. Khan, "Amazon's Antitrust Paradox," *Yale Law Journal* 126, no. 3 (2017): 710–805. On economic structuralism, see Herbert Hovenkamp, *The Opening of American Law: Neoclassical Legal Thought* (Oxford: Oxford University Press, 2015), 206–19.

[2] Robert M. Collins, *More: The Politics of Economic Growth in Postwar America* (Oxford: Oxford University Press, 2000).

[3] Charles S. Maier, "'Malaise': The Crisis of Capitalism in the 1970s," in *The Shock of the Global: The 1970s in Perspective*, ed. Niall Ferguson et al. (Cambridge, MA: Harvard University Press, 2010); Meg Jacobs, *Panic at the Pump: The Energy Crisis and the Transformation of American Politics in the 1970s* (New York: Macmillan, 2017).

[4] Judith Stein, *Pivotal Decade: How the U.S. Traded Factories for Finance in the 1970s* (New Haven, CT: Yale University Press, 2010); Greta Krippner, *Capitalizing on Crisis: The Political Origins of the Rise of Finance* (Cambridge, MA: Harvard University Press, 2011); David Harvey, *A Brief History of Neoliberalism* (Oxford: Oxford University Press, 2005); Robert Brenner, *The Boom and the Bubble: The U.S. in the World Economy* (London: Verso, 2002), 7–47.

[5] Kate Andrias, "Beyond the Labor Exemption: Labor's Antimonopoly Vision and the Fight for Greater Democracy," in *Antimonopoly and American Democracy*, ed. Daniel A. Crane and William J. Novak (Oxford: Oxford University Press, 2023); Theodore Rosenof, *Economics in the Long Run: New Deal Theorists and their Legacies, 1935-1993* (Chapel Hill: University of North Carolina Press, 1997); Tony A. Freyer, *Antitrust and Global Capitalism, 1930-2004* (Oxford: Oxford University Press), 102–59; Andrew Y. Elrod, "Stabilization Politics in the Twentieth-Century United States: Corporatism, Democracy, and Economic Planning, 1945-1980" (PhD diss., University of California-Santa Barbara, 2021).

[6] Malcolm Rutherford, *The Institutionalist Movement in American Economics, 1918-1947: Science and Social Control* (Cambridge: Cambridge University Press, 2011).

[7] Daniel A. Crane and William J. Novak, "Democracy and the Antimonopoly Tradition," in *Antimonopoly and American Democracy*, 7. At their worst, antimonopolism and institutionalism exhibited the

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

ugliest sort of racism and reactionary politics. See, for example, Thomas C. Leonard, *Illiberal Reformers: Race, Eugenics, and American Economics in the Progressive Era* (Princeton, NJ: Princeton University Press, 2017); Gabriel Winant, "No Going Back," *The Nation*, February 3, 2020.

[8] Particularly influential in shaping my interpretation have been Mary O. Furner, "From 'State Interference' to the 'Return of the Market': The Rhetoric of Economic Regulation from the Old Gilded Age to the New," in *Government and Markets: Toward a New Theory of Regulation* (Cambridge: Cambridge University Press, 2009), 1–34; William J. Novak, *New Democracy: The Creation of the Modern American State* (Cambridge, MA: Harvard University Press, 2022), esp. 108–45 and 180–217; Laura Phillips Sawyer, American Fair Trade: Proprietary Capitalism, *Corporatism, and the 'New Competition,' 1890-1940* (Cambridge: Cambridge University Press, 2018); Howard Brick, *Transcending Capitalism: Visions of a New Society in Modern American Thought* (Ithaca, NY: Cornell University Press, 2006), esp. 54–85.

[9] Ken Whitaker to Estes Kefauver, February 15, 1958, box 205, folder 11, Estes Kefauver Papers, Modern Political Archive, Betsey B. Creekmore Special Collections and University Archives, University of Tennessee, Knoxville (hereafter EK); Bernard Nossiter, "A Staff Man Leaves His Mark on the Hill," *The Washington Post*, April 11, 1970; John M. Blair, "The Veblen-Commons Award: Gardiner C. Means," *Journal of Economic Issues* 9 (1975): 147–49; Morton Mirtz, "John M. Blair, 62, Dies, Economist Probed Key Industries," *The Washington Post*, December 23, 1976; "John M. Blair, 62, U.S. Ex-Economist," *New York Times*, December 23, 1976; Howard N. Ross, "John M. Blair and Monopoly," *Antitrust Bulletin* 30 (1985): 997–1009; Walter Adams, "John M. Blair and Philip A. Hart: In Memoriam," *Journal of Economic Issues* 11 (1977).

[10] My concept of Institutional Keynesianism can be understood as a historical antecedent of "post-Keynesianism," a school of heterodox economic thought that has sought to anchor macroeconomic analysis on solid microfoundations. See especially Frederic S. Lee, *Post-Keynesian Price Theory* (Cambridge: Cambridge University Press, 1999).

[11] Blair is most well remembered today for a spurt of voluminous academic output toward the end of his life. See John M. Blair, *Economic Concentration: Structure, Behavior and Public Policy* (New York: Harcourt, 1972); *The Roots of Inflation* (New York: B. Franklin & Co., 1975); *The Control of Oil* (New York: Vintage, 1976).

[12] Patrick Andelic, "'The Old Economic Rules No Longer Apply': The National Planning Idea and the Humphrey-Hawkins Full Employment Act, 1974-1978," *Journal of Policy History* 31, no. 1 (2019): 72–100.

[13] Background of John M. Blair, 12E2A 1/2/5 (4), Dr. John M. Blair—Personal III (1956-), Papers of John M. Blair, Record Group 200, National Archives Building, Washington, DC (hereafter JMB).

[14] The "marginal revolution," which grew out of an attempt to formulate a "neoclassical" price theory suitable to the conditions of modern industrial society, stood as one expression of this development. See Michael Bernstein, "American Economists and the 'Marginalist Revolution': Notes on the Intellectual and Social Contexts of Professionalization," *Journal of Historical Sociology* 16, no. 1 (2003): 135–80.

[15] Included in this milieu were works ranging from Marxists like Rudolf Hilferding's *Finance Capital* (1914) and socialists like John A. Hobson's *Imperialism* (1902) to the idiosyncratic US Institutionalist Thorstein Veblen's *Theory of Business Enterprise* (1904) to the neoclassically trained Joan Robinson's *The Economics of Imperfect Competition* (1933) and Edward Chamberlin's *The Theory of Monopolistic Competition* (1933). See also Paul Sweezy, "Demand Conditions Under Oligopoly," *Journal of Political Economy* 47, no. 4 (1939): 568–73. Sweezy went on to establish the publication *Monthly Review*, which became a central venue for postwar marxisant analyses of "monopoly capitalism" and to coauthor, with Paul Baran, the influential study *Monopoly Capital: An Essay on the Social and Economic Order* (New York: Monthly Review Press, 1966). Additional examples include Michal Kalecki, *Essays in the Theory of Economic Fluctuations* (London: Allen & Urwin, 1939); Josef Steindl, *Maturity and Stagnation in American Capitalism* (Oxford: Blackwell, 1952). A classic critique of this body of thought is contained in Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy* (New York: Harper, 1942), esp. 87–106.

[16] Adolf Berle and Gardiner Means, *The Modern Corporation and Private Property* (New York: Transaction, 1932).

[17] Chase quoted in Brick, *Transcending Capitalism*, 82.

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

[18] See also Franklin D. Roosevelt, Message to Congress on Curbing Monopolies. Online by Gerhard Peters and John T. Woolley, The American Presidency Project, https://www.presidency.ucsb.edu/node/209657.

[19] Alan Brinkley, *The End of Reform: New Deal Liberalism in Depression and War* (New York: Vintage, 1995), 7.

[20] John R. Hicks, "Mr. Keynes and the Classics," *Econometrica* 5, no. 2 (1937): 147–59. See also Theodore Rosenof, *Economics in the Long-Run: New Deal Theorists and their Legacies, 1933-1993* (Chapel Hill: University of North Carolina Press, 66–76, 87–93, 105–27. For a powerful analysis of the history of the Phillips curve, see James Forder, *Macroeconomics and the Phillips Curve Myth* (Oxford: Oxford University Press, 2014).

[21] An early and classic Institutional Keynesian text that elaborated such an analysis was Mordecai Ezekiel, *Jobs for All through Industrial Expansion* (New York: Knopf, 1939). In contrast, Alvin Hansen insisted that the Institutionalists' preoccupation with corporate power and price inflexibility betrayed a confusion about the sequence of economic dynamics. The "dispersion of prices," Hansen held, was the result and not the cause of the "decline in the rate of investment" and the consequent "decline in income and in effective demand." See National Resources Planning Board, *The Structure of the American Economy, Part II: Toward Full Use of Resources* (Washington, DC: Government Printing Office, 1940), 30.

[22] Ellis Hawley, *The New Deal and the Problem of Monopoly: A Study in Economic Ambivalence* (Princeton, NJ: Princeton University Press, 1966).

[23] On the "public utility idea", see Novak, *New Democracy*, 108–45.

[24] American University at the time maintained a collaboration with the U.S. Department of Agriculture Graduate School, an epicenter of Institutionalist thought. See Malcolm Rutherford, "The USDA Graduate School: Government Training in Statistics and Economics, 1921-1945," *Journal of the History of Economic Thought* 33, no. 4 (2011): 419–47.

[25] Blair to Edwin Witte, July 24, 1957, 12E2A 1/2/5 (3), FTC—General Correspondence (1957), JMB.

[26] John M. Blair, *Seeds of Destruction: A Study in the Functional Weakness of Capitalism* (New York: Covici Friede, 1939), xvii, 410.

[27] John R. Commons, "Capital and Capitalistic Organization," *American Economic Review* 30, no. 1 (1940): 170–72; Walter N. Polakov, "Diagnosis and Prognosis," *The Washington Post*, January 15, 1939; "Praise for Seeds of Destruction," Undated, 12E2A 1/2/5 (4), Dr. John M. Blair, Personal (1939-1950), JMB.

[28] See Sawyer, *American Fair Trade.*

[29] Temporary National Economic Committee, *Price Discrimination in Steel*, report prepared by John M. Blair and Arthur Reeside, 76th Cong., 3d sess. (1941), Senate Committee Print.

[30] Daniel A. Hanley, "Controlling Buyer and Seller Power: Reviving Enforcement of the Robinson-Patman Act," *Hofstra Law Review* 52, no. 2 (2024): 325–35.

[31] John M. Blair, "Planning for Competition," *Columbia Law Review* 64, no. 3 (1964): 525.

[32] U.S. Steel prepared an entire volume responding to the criticism received in the TNEC hearings and arguing that the basing-point system "is the natural result of basic economic conditions in the steel industry and does not result in the absence of price competition." See United States Steel Corporation, *T.N.E.C. Papers, Vol. 3: The Basing Point Method* (Pittsburgh, PA: United States Steel Corporation, 1940).

[33] FTC v. Cement Institute, 333 U.S. 683 (1948). The FTC complaint, it should be noted, focused concerned allegations of collusion via the basing-point system and was thus was not a charge of price discrimination per se. I am grateful to an anonymous reviewer for drawing my attention to this distinction.

[34] Hubert Humphrey to Blair, January 2, 1950, 12E2A 1/2/5 (4), Dr. John M. Blair, Personal (1939-1950), JMB; Estes Kefauver to Blair, June 16, 1950, JMB; Harry S. Truman, "Veto of Bill to Define the Application of the Federal Trade Commission Act and the Clayton Act to Certain Pricing Policies," in online by Gerhard Peters and John T. Woolley, The American Presidency Project, https://www.presidency.ucsb.edu/node/230806.

[35] Temporary National Economic Committee, *Technology in Our Economy*, report prepared by Ruth Ansull, John M. Blair, and Leiws L. Lorwin, 76th Cong., 3d sess. (1941), Senate Committee Print, 220.

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

Blair's PhD dissertation and other academic work at the time covered this same theme. John M. Blair, Labor Productivity and Industrial Prices," (PhD diss., American University, 1941); John M. Blair, "The Relation between Size and Efficiency of Business," *Review of Economics and Statistics* 24, no. 3 (1942): 125–35. After the war, Blair identified a new pattern whereby business size no longer necessarily correlated with plant size or technological efficiency. The point, then, was that corporate scale could be contested without adversely affecting the national productive capacity. See FTC, *The Concentration of Productive Facilities: Total Manufacturing and 26 Selected Manufacturing Industries, 1947* (Washington, DC: Government Printing Office, 1949); FTC, *The Divergence between Plant and Company Concentration, 1947* (Washington, DC: Government Printing Office, 1950); John M. Blair, "Technology and Size," *American Economic Review* 38, no. 2 (1948): 121–52.

[36] U.S. Congress, Senate, *Economic Concentration and World War II: Report of the Smaller War Plants Corporation to the Special Committee to Study Problems of American Small Business*, report prepared by John M. Blair, Harrison F. Houghton, and Matthew Rose, 79th Cong., 2d sess. (1946), Senate Committee Print No. 6.

[37] U.S. Congress, Senate, *Small Business and Civic Welfare: Report of the Smaller War Plants Corporation to the Special Committee to Study the Problems of American Small Business*, report prepared by C. Wright Mills and Melville Ulmer, 79th Cong., 3d sess. (1946), Document No. 135; Blair to George Stocking, undated, 12E2A 1/2/5 (3), FTC—General Correspondence (1956), JMB. On the SWPC, see Jonathan J. Bean, "World War II and the 'Crisis' of Small Business: The Smaller War Plants Corporation, 1942-1946," *Journal of Policy History* 6, no. 3 (1994): 215–43.

[38] Federal Trade Commission, *The Merger Movement: A Summary Report* (Washington, DC: Government Printing Office, 1948), 17–20.

[39] Bill Luchansky and Jurg Gerber, "Constructing State Autonomy: The Federal Trade Commission and the Celler-Kefauver Act," *Sociological Perspectives* 36, no. 3 (1993): 217–40.

[40] John Carson to Estes Kefauver, December 18, 1950, 12E2A 1/2/5 (4), Dr. John M. Blair, Personal (1939-1950), JMB; Harry S. Truman to Blair, January 2, 1951, 12E2A 1/2/5 (3), Dr. John M. Blair—Personal II (1951-55), JMB. On the intellectual and legislative histories of the act, see Derek Bok, "Section 7 of the Clayton Act the Merging of Law and Economics," *Harvard Law Review* 74, no. 2 (1960): 226–355 and Herbert Hovenkamp, "Derek Bok and the Merger of Law and Economics," *University of Michigan Journal of Law Reform* 21 (1988): 515–39.

[41] Willard F. Mueller, *The Celler-Kefauver Act: The First 27 Years*, a study prepared for the use of the Subcommittee on Monopolies and Commercial Law of the House Committee of the Judiciary, 95th Cong., 2d sess. (1978), Committee Print No. 28, 5-18.

[42] Brown Shoe Co. v. United States, 370 U.S. 294, 316 (1962).

[43] Landon Storrs, *The Second Red Scare and the Unmaking of the New Deal Left* (Princeton, NJ: Princeton University Press, 2012).

[44] Blair to George Stigler, October 23, 12E2A 1/2/5 (3), Dr. John M. Blair—Personal II (1951-1955), JMB.

[45] Blair to George Stocking, October 27, 1955, JMB.

[46] Blair to Edwin Witte, March 19, 1956, 12E2A 1/2/5 (4), Dr. John M. Blair—Personal III (1956-), JMB; Blair to George Stocking, October 27, 1955; B. F. Haley to Blair, October 14, 1955, 12E2A 1/2/5 (3), Dr. John M. Blair—Personal II (1951-1955), JMB.

[47] Quoted in Rob Van Horn, "Reinventing Monopoly and the Role of Corporations: The Roots of Chicago Law and Economics," in *The Road to Mont Perelin: The Making of the Neoliberal Thought Collective*, ed. Philip Mirowski and Dieter Plehewe (Cambridge, MA: Harvard University Press, 2009), 204.

[48] See Andrias, "Beyond the Labor Exemption."

[49] Van Horn, "Reinventing Monopoly," 205–6.

[50] See George J. Stigler, *Memoirs of an Unregulated Economist* (New York: Basic Books, 1988), 91–112.

[51] Schwegmann Bros. v. Calvert Distillers Corp., 341 U.S. 384 (1951); Automatic Canteen Co. v. FTC, 346 U.S. 61 (1953); Hanley, "Controlling Buyer and Seller Power: Reviving Enforcement of the Robinson-Patman Act," 346–47. The *Schwegmann* decision targeted the Miller-Tydings Act, which authorized states to establish "fair trade" laws and thereby exempt resale price maintenance policies from antitrust enforcement by prohibiting so-called nonsigner clauses. Congress sought to counter the ruling by legislatively sanctioning nonsigner clauses, but it met stiff resistance from business

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

opponents and enforcement proved of limited effectiveness. See "Concern Defies U.S. and States," *New York Times*, August 26, 1952.

[52] Blair, "Planning for Competition," 526; Charles E. Egan, "Congress to get F.T.C. Fund Woes," *New York Times*, February 5, 1953; "Trade Panel Losing Freedom, Aide Fears," *New York Times*, September 21, 1953. *Annual Report of the Federal Trade Commission for the Fiscal Year Ended June 30, 1952* (Washington, DC: Government Printing Office, 1952), 10. The FTC's Planning Commission, on which Blair served, was also eliminated.

[53] *Report of the U.S. Attorney General's National Committee to Study the Antitrust Laws* (Washington, DC: Government Printing Office, 1955). See also Thomas E. Kauper, "The Report of the Attorney General's National Committee to Study the Antitrust Laws: A Retrospective," *Michigan Law Review* 100, no. 7 (2002): 1882–88. Notably, however, opposition to Robinson-Patman came not only from the right but also from well-regarded liberal economists like John Kenneth Galbraith, who insisted that it added inflationary pressure by promoting higher consumer prices. See John Kenneth Galbraith, *American Capitalism: The Concept of Countervailing Power* (Boston: Houghton Mifflin, 1952), 147–51; Hanley, "Controlling Buyer and Seller Power: Reviving Enforcement of the Robinson-Patman Act," 342–44. For his part, Blair worried that Galbraith had been responsible for Adlai Stevenson's reluctance to incorporate antimonopoly themes into his 1952 presidential campaign. Blair to Rep. Sidney Yates, September 11, 1952, 12E2A 1/2/5 (3), Dr. John M. Blair—Personal II (1951-1955), JMB.

[54] Paul Douglas to James Mead, September 24, 1952, 12E2A 1/2/5 (3), Dr. John M. Blair—Personal II (1951-1955), JMB; Estes Kefauver to James Mead, August 20, 1952, JMB; Hubert Humphrey to James Mead, September 8, 1952, JMB; Ed Wimmer to James Mead, September 27, 1952, JMB; John Schott to Blair, September 27, 1952, JMB; *Food Field Reporter*, September 22, 1952, JMB; John Delaney to Blair, August 31, 1953, JMB. In mid-1953, cuts to the FTC budget led to a reconsolidation of the two divisions, this time with Barnes serving as sole chief and Blair assigned to the role of assistant. John Delaney to Blair, August 31, 1953, 12E2A 1/2/5 (3), Dr. John M. Blair - Personal II (1951-1955), JMB. Paul Douglas also singled out Blair for praise in his book, *Ethics in Government: The Godkin Lectures on the Essentials of Free Government and the Duties of the Citizen* (Cambridge, MA: Harvard University Press, 1952), 27–28.

[55] Drew Pearson, "The Washington Merry-Go-Round," *The Washington Post*, September 21, 1952. See U.S. Congress, Senate, Select Committee on Small Business, Subcommittee on Monopoly, *The International Petroleum Cartel: Staff Report to the Federal Trade Commission*, 82nd Cong., 2d sess. (1952), Committee Print No. 6.

[56] Walter B. Smith to Harry S. Truman, *Report of the Federal Trade Commission on 'The International Petroleum Cartel*,' August, 12, 1953, https://www.cia.gov/readingroom/docs/CIA-RDP80R01731R000900080014-4.pdf. The CIA only declassified the full report on April 14, 2010. See also, Burton I. Kaufman, "Mideast Multinational Oil, U.S. Foreign Policy, and Antitrust: The 1950s," *Journal of American History* 63, no. 4 (1977): 937–59.

[57] Blair to George Stocking, October 27, 1955, 12E2A 1/2/5 (3), Dr. John M. Blair—Personal (1951-1955), JMB.

[58] Blair to Stigler, October 23, 1955; Blair to Jesse W. Markham, August 17, 1954, 12E2A 1/2/5 (3), Dr. John M. Blair—Personal (1951-1955), JMB. See, for example, John M. Blair, "Means, Thorp, and Neal on Price Inflexibility," *Review of Economics and Statistics* 38, no. 4 (1956): 427–35.

[59] Blair quoted in Charles L. Fontenay, *Estes Kefauver: A Biography* (Knoxville: University of Tennessee Press, 1991), 112.

[60] Kevin Boyle, *The UAW and the Heyday of American Liberalism, 1945-1968* (Ithaca, NY: Cornell University Press, 1995), 136–38; Harvey Swados, *Standing Up for the People: The Life and Work of Estes Kefauver* (New York: E. P. Dutton, 1972). On the crime hearings, see William Moore, *The Kefauver Committee and the Politics of Crime, 1950-1952* (Columbia: University of Missouri Press, 1974); Jack Anderson and Fred Blumenthal, *The Kefauver Story* (New York: Dial Press, 1956). On Kefauver's life and career, see Fontenay, *Estes Kefauver*; John Gorman, *Kefauver: A Political Biography* (New York: Oxford University Press, 1971).

[61] Estes Kefauver to Donald P. McHugh, January 27, 1957, box 209, folder 1, EK; John Gwynne to Estes Kefauver, September 5, 1956, box 206, folder 3, EK; Senate Antitrust and Monopoly Subcommittee Financial Statement, December 31, 1956, EK; Sen. James O. Eastland to Sen, Thomas C. Hennings, Jr., box 205, folder 4, EK; Kefauver to Sen. James O. Eastland, January 22, 1957, box 205, folder 5, EK.

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

[62] For a sense of the range of contemporary perspectives on this new inflation, see, for example John M. Blair, "Administered Prices: A Phenomenon in Search of a Theory," *American Economic Review* 49, no. 2 (1959): 431–50; Charles Schultze, *Study Paper No. 1: Recent Inflation in the United States*, report prepared for the use of the Joint Economic Committee, 86th Cong. 1st sess. (1959), Joint Committee Print; Willard Thorp and Richard E. Quandt, *The New Inflation* (New York: McGraw Hill, 1959); Edwin Dale, "Basic Inquiry into Baffling Inflation," *New York Times*, August 25, 1957. See also, Norikazu Takami, "The Baffling New Inflation: How Cost-Push Theories Influenced Policy Debate in the Late-1950s United States," *History of Political Economy* 47, no. 4 (2015): 605–29.
[63] It should be noted that it was only in the 1950s that annual increases in the price level became the norm. For a century prior to World War II, prices on average decreased as frequently as they increased.
[64] Walter Reuther to Estes Kefauver, January 11, 1957, box 201, folder 3, EK.
[65] Blair, "Administered Prices: A Phenomenon in Search of a Theory," 449.
[66] John M. Blair, "Investigation of Monopolistic Pricing and Production Policies," February 25, 1957, box 205, folder 4, EK; Paul Rand Dixon, "Proposed Program of Antitrust and Monopoly Subcommittee for 1957," box 205, folder 5, EK. See also, Samir Sonti, "'The Credit Problem Is Our Biggest Labor Problem': Labor and the Making of Monetary Policy," in *Work, Capitalism, and Democracy in Twentieth-Century America*, ed. Elizabeth Tandy Shermer (Philadelphia: University of Pennsylvania Press, forthcoming).
[67] Over the next five years, until Kefauver's premature death in 1963, the investigation would sprawl in multiple directions, interrogating into the structure, pricing patterns, and marketing practices of industries ranging from steel to sliced bread. In its course, it drew some of the most prominent corporate officials and many more professional economists to Washington for questioning, leaving behind 29 volumes of hearings and five official reports that ran to some 20,000 pages in total. Notably, the subcommittee's most-lasting legacy, one with which twenty-first-century television audiences have been all too familiar, had little at all to do with prices. Its 1960 probe into the pharmaceutical industry coincided with a public panic over the drug thalidomide and resulted in the 1962 passage of the Kefauver-Harris amendment to the Food and Drug Act, expanding the province of the FDA and mandating disclosure of side effects in advertisements. Robert Bud, "Antibiotics, Big Business, and Consumers: The Context of the Government Investigation into the Postwar American Drug Industry," *Technology and Culture* 46 (2005): 329–49; Daniel Scroop, "A Faded Passion? Estes Kefauver and the Senate Subcommittee on Antitrust and Monopoly," *Business and Economic History On-Line* 5 (2007): 1–17.
[68] U.S. Congress, Senate, *Administered Prices: Hearings Before the Subcommittee on Antitrust and Monopoly of the Senate Committee of the Judiciary, Part 1*, 85th Cong., 1st sess. (1957) [hereafter, "Administered Prices Part 1"], 1–2.
[69] Blair, "Investigation of Monopolistic Pricing and Production Policies."
[70] U.S. Congress, Senate, Committee on the Judiciary, Subcommittee on Antitrust and Monopoly, *Administered Prices: Steel*, 85th Cong., 2d sess. (1958), S. Rep 1387 [hereafter, "Steel Report"], 38–51. For another contemporary perspective on the problem, see Otto Eckstein and Gary Fromm, *Steel and the Postwar Inflation*, report prepared in connection with the Study of Employment, Growth, and Price Levels for consideration by the Joint Economic Committee, 86th Cong., 1st sess. (1959), Joint Committee Print.
[71] U.S. Congress, Senate, Committee on the Judiciary, Subcommittee on Antitrust and Monopoly, *Administered Prices: Automobiles*, 85th Cong., 2d sess. (1958), Committee Print, 94–103. For a critique of the idea of "steel fundamentalism," see Judith Stein, Running Steel, *Running America: Race, Economic Policy, and the Decline of Liberalism* (Chapel Hill: University of North Carolina Press, 1996), 7–36.
[72] U.S. Congress, Senate, *Administered Prices: Hearings Before the Subcommittee on Antitrust and Monopoly of the Senate Committee of the Judiciary, Part 6*, 85th Cong., 2d sess. (1958) [hereafter, "Administered Prices Part 6"], 2204.
[73] Otis Brubaker to Officers on Kefauver Committee Report, May 6, 1958, box 40, Prices (General), 1956-63, Marvin Miller Papers, Research Department, United Steelworkers of America, Penn State University, University Park, PA.
[74] "Administered Prices Part I," 45.

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

[75] "Administered Prices Part 1," 88–89. See also, Means, "Pricing Power and the Public Interest," in Senate Subcommittee on Antitrust and Monopoly, *Administered Prices: A Compendium on Public Policy* (Washington, DC: Government Printing Office, 1963), 213–39 and *Administrative Inflation and Public Policy* (Washington, DC: Anderson Kramer Associates, 1959). The Kefauver committee investigation gave Means's publishing career a new lease on life. See Means, *Pricing Power and the Public Interest: A Study Based on Steel* (New York: Harper & Bros., 1962) and *The Corporate Revolution in America* (New York: Collier Books, 1964). On Means's formulation of "administrative inflation," see Rosenof, *Economics in the Long Run*, 115–19; Richard Goode, "Gardiner Means on Administered Prices and Administrative Inflation," *Journal of Economic Issues* 28 (1994): 173–86. For an overview of Means's career and the administered price idea, see William Wilson Bratton, "*The Modern Corporation and Private Property* Revisited: Gardiner Means and the Administered Price," *Seattle University Law Review* 42 (2019): 591–616.

[76] Blair to Seymour Harris, January 23, 1958, Dr. John M. Blair Personal III, (1956-), 12E2A 1/2/5 (4), JMB.

[77] "Administered Prices Part 6," 2243.

[78] Ted Lewis, Jr. and Robert D. Novak, "'Liberals' Today Open Biggest Anti-Business Drive Since New Deal," *Wall Street Journal*, January 7, 1959.

[79] Roger Blough, U.S. Steel: "it is quite important that our costs, which are confidential, be kept confidential"; Harlow Curtice, General Motors: "private information" that is "not for the benefit of the public" (Harlow Curtice, General Motors); William T. Gosset, Ford: "never, except as required by wartime legislation, made such information available for any purpose to anyone." U.S. Congress, Senate, *Administered Prices: Hearings Before the Subcommittee on Antitrust and Monopoly of the Senate Committee of the Judiciary, Part 2*, 85th Cong., 1st sess. (1957), 381 (hereafter, "Administered Prices Part 2"); "Administered Prices Part 6," 2497, 3621. See also, U.S. Steel, *Steel and Inflation: Fact v. Fiction* (Pittsburgh, PA: U.S. Steel, 1959.

[80] "Individual Views of Senator Everett McKinley Dirksen," in "Steel Report," 139.

[81] "Steel Report of Kefauver Held Biased," *Chicago Tribune*, March 1, 1958; Marquis Childs, "Kefauver Report Irritates Detroit," *The Washington Post*, November 28, 1958.

[82] Donald I. Rogers, "Kefauver's Aid Anti-Capitalist: Senator Wants Economist to Crush the Skulls of the Rich," *New York Herald Tribune*, May 12, 1957; Hugh Scott, "Introducing John M. Blair," on June 18, 1957, *Congressional Record—Appendix*, A5411.

[83] *National Review* 3, no. 21 (1957), 487.

[84] Bernard D. Nossiter, "Senate Unit Hears Fresh Ideas of 3 Experts," *The Washington Post*, July 13, 1957.

[85] Edwin Dale, "Two Senate Panels Put Spotlight on the Nature of Current Inflation," *New York Times*, July 15, 1957.

[86] Quoted in Swados, *Standing Up for the People*, 131; I. F. Stone, "In Detroit Adam Smith Has Been Revised by Lewis Carroll," *I.F. Stone Weekly* 6, no. 45 (1958).

[87] Quoted in "Price Rises Blamed for Output Lag," *The Washington Post*, March 10, 1959; Raymond Saulnier to Thomas B. Curtis, February 18, 1959, printed in U.S. Congress, Joint Economic Committee, *January 1959 Economic Report of the President: Hearings Before the Joint Economic Committee*, 86th Cong., 1st sess. (1959), 34–35.

[88] Woodlief Thomas, "Those Administered Prices," *The Washington Post*, March 12, 1959. See also Federal Reserve Board Director of Research and Statistics, Arthur Young's March 11, 1959, testimony before Kefauver's subcommittee in U.S. Congress, Senate, *Administered Prices: Hearings Before the Subcommittee on Antitrust and Monopoly of the Senate Committee of the Judiciary, Part 10*, 86th Cong., 1st sess. (1959), 4859–d4897.

[89] Edwin Dale, "U.S. Aides Uneasy on Price Policies," *New York Times*, March 15, 1959; "An Aroused Reserve Board," *New York Times*, March 14, 1959.

[90] William J. Barber, "The Kennedy Years: Purposeful Pedagogy," in *Exhortation and Controls: The Search for a Wage-Price Policy, 1945-1971*, ed. C. D. Goodwin (Washington, DC: Brookings, 1975), 135–91; Neil de Marchi, "The First Nixon Administration: Prelude to Controls," in *Exhortation and Controls*, 295–352; John Sheehan, *The Wage-Price Guideposts* (Washington, DC: Brookings, 1967); Elrod, "Stabilization Politics in the Twentieth-Century United States."

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press

[91] Nossiter, "A Staff Man Leaves His Mark."

[92] The debate over industrial prices was renewed in the early 1970s. See George J. Stigler and James A. Kindahl, *The Behavior of Industrial Prices* (Washington, DC: NBER, 1970); Gardiner Means, "The Administered-Price Thesis Reconfirmed," *American Economic Review* 62, no. 3 (1972): 292–306.

[93] See Jesse R. Halvorsen, "*Moving Goods, Moving America: Labor, Technology, Policy Development, and the Struggle over America's Largest Port-Logistics Nexus*" (PhD diss., University of California-Santa Barbara, 2022), esp. 202–41.

[94] Benjamin Waterhouse, *Lobbying America: The Politics of Business from Nixon to NAFTA* (Princeton, NJ: Princeton University Press, 2014).

Cite this article: Sonti, Samir (2025). "'One Dedicated, Single-Minded Staff Aide': John M. Blair and Institutional Keynesianism in Postwar US Economic Policy." *Journal of Policy History* **37** (2): 90–113, doi:10.1017/S0898030624000149

https://doi.org/10.1017/S0898030624000149 Published online by Cambridge University Press