

# Critical Analysis 1: Who Rules America?

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July 18, 2000

## Abstract

Write a critical review of the Domhoff book, *Who Rules America?* In your review discuss the following topics. How does Domhoff characterise the power-elite? What arguments does he put forward to show that the pluralists are largely wrong about the ways power is held in this country? What evidence is there to support his argument? What is your overall evaluation of Domhoff's analysis?

## Introduction

G. William Domhoff in his book, *Who Rules America?* is attempting to demonstrate that the 'owners' and the top level executives in the corporate community are the dominant power figures in the United States. Each chapter, through chapter six, displays various structures in the United States that contribute towards the end of the existence of a dominant power. Additionally, he attempts to demonstrate that despite what many American believe is true (or false) about the class system, a dominant class and power elite may exist in this country, even in the face of political unrest, and social change. [p. 5]

## The Power Elite

Central to Domhoff's argument is the existence of a *power-elite*. This power-elite is comprised of a cross-section of the social upper class, the corporate community, and policy-formation organisations. He states that this power elite dominance in America is not one of total control. However, dominance implies the description of the boundaries within which the lower social classes have to work.

In addition, members of the power elite display their aversion towards the government (even in the light of various positive contributions of government towards the power elite) for several underlying reasons. Domhoff states that the government may change the power relations through the following ways: creation of jobs for the unemployed, easier qualifications for health, unemployment, and welfare benefits, greater employee workplace rights and protections, and finally, helping workers organise unions.

The power elite is not always aligned on all issues of interest. The reason for this is because it constitutes people from the ultraconservative, conservative, and moderate groups. The moderates sometimes favour some of liberal

issues on society; this is especially true in times of socio-economic troubles. [p. 2] Consider, for example, the members of the Committee for Economic Development and their orientation changes between 1974 and 1976. Domhoff states that there were two incidents to trigger the scorn of the conservative trustees from several of the largest corporate supporters of the CED. Both moves involved public policy for more government in areas of wage control, and greater government planning.

## **Pluralists**

There are two aspects to pluralism that Domhoff identifies in his book. Pluralism, in general, is that power is widely dispersed throughout society. This means that there is no one person, group, or groups in power. The first aspect of pluralism is that power is held by the general public through public opinion and voting. The second aspect of pluralism is demonstrated in the weakness of cohesion between the various companies to make them a dominant class. They also claim that businesses often cater to the liberal groups on specific issues, and that business dominated coalition actually lose the battles sometimes.

Domhoff puts forth that, although there may specific issues where the power elite may agree with liberal, however, on the fundamental issues (labour unions, high taxes, and government regulation) there are rarely lapses of class-wide cohesion. And finally, where business dominated coalitions fail, this is usually the result of another business up against it. Where businesses are concerned, Domhoff states, the government is left to sort out the pieces.

Arguments to support Domhoff's view against the pluralist outlook is visible in the chapter "The Policy Formation Network." He states that many pluralists overlook the policy formation network; they continue to claim that the corporate rich haven't a way to develop solid policies. Hence, they only really act through Washington based lobbying and lawyers on varying narrow banded political issues. In addition, "The Role of Public Opinion" shows that public opinion has little or no influence on major policies. The opinion of the majority has differed from those of elected officials for many years without direct effect on public policy. I'll look into this with a bit more detail in the next section.

## Support of the Class Dominance Theory

Domhoff uses interlocking directorate and the overlap between the upper class and corporate community to build his case for the class dominance theory. He states that at the centre of most of these “inner circles” of board of directors are financial institutions. These institutions are so prevalent that, in fact, small businesses and farmers are no competition to the big players. And if indeed they are, then they become a part of the system, rather than exceptions of the system.

Domhoff continues to state that there *is* indeed a nationwide upper class with it's own institutions based purely on wealth. And to separate it from the dormant or ‘status group’ upper-class, they have ties with the corporate community. Additionally, because many of the upper managerial types believe that they have to be part of the “old-boy network” to succeed in the company, massive amounts of assimilation and social cohesion occurs (which sets the stage for the tacit agreements in the policy formation networks.)

Domhoff points out specific institutions that exist to promote all of the above points. First he touches on prep schools; he maintains that it's an important aspect of the upper class due to the fact that it passes along the class structure to the student. Another social institution is the private social clubs of the upper class. It keeps members that do not fit into their “schema” of a peer through a rigorous screening process. Usually new members must be nominated, recommended, and interviewed by members of the social club. Usually people belong to a number of various clubs throughout the country which causes a nationwide overlapping of memberships.

Domhoff then links the social clubs (specifically the Bohemian Club) to the ability to expand in the corporate community. In fact, through the networking and interaction at these social clubs, it was not very hard to link to major corporations like AT&T, Bank of America, Ford Motor, GM, Pacific Bell &c.

## Some Thoughts

There have been certain instances throughout the first five chapters of this book where I have thought that Domhoff was right on. In fact, it seems to me that many times he is *not* card-stacking. Domhoff presents the issues he is going to address, as well as the argument for the opposing view, and continues with the support for his argument. It seems, however, that throughout these

first five chapters, he says one thing, then plays down the significance.

For example, let's take the chapter on "the role of public opinion." He maintains throughout the chapter that public opinion does not have the routine importance that the pluralists would like to attribute to it. Then he reverses his statement with one exception: "there are some situations in which public opinion may have an impact-particularly on issues where there is a strong social movement or social disruption." He then proceeds to say that the chapter is incomplete in that it doesn't consider the effect of public opinion on the electorate process. (...a pretty important point!)

For another example, let's take a look at the "policy formation network" chapter. On one hand Domhoff states that issue networks are rooted on the money and funding given to them by the policy network. He states that it would be "foolhardy" for the experts to voice opinions that are outside the boundaries set by the policy preferences expressed by corporate directors. He states that the government relies on these "experts" because they have little of their own on the major power issues in the U.S. He even goes on to say that the chapter provides evidence on "another form of power exercised by the corporate community...expertise." However, he goes on to state that there exists some uncertainty in the relationship between the corporate rich and the government such that the power elite cannot rely solely on economic power *and* a near monopoly on the expertise to ensure its interests.

In the chapter entitled: "The corporate community and the growth coalitions." Domhoff states [p. 63] "the power that can be exercised by corporate leaders through their companies is considerable..." Then a page later he states "While such [structural] power is very great, I do not find it sufficient...especially in times of economic and political crisis." So these are just a few examples, but they are all question begging. He states proposition  $x$ , and then its opposite  $x'$ , placing  $x$  to a lesser degree. This is all very convoluted, and I am assuming that it will all be wrapped up in the last few chapters such that these contradictions will not all seem so bad.