imperative in modern production, but it also may be more difficult and less feasible as competition accelerates changes in technology and work processes. The relationship between socialization, education, and work is a critical one, and cooperation in work would require a radically different educational process, one certainly lacking in steel mill towns. It is questionable whether democracy on the shop floor can develop without social democracy at the societal level, and certainly the United States is a long way from that. A final and most threatening implication of work participation may be worker ownership. The more power workers gain in the process of production, the more obvious it becomes that ownership per se should not confer any special entitlement to part of that production. It is not a lesson that many powerful institutions are anxious for workers to learn.

If Hoerr's story focuses on the shop floor — the micro-level — Tiffany looks to the large business, labor, and government institutions — the macro-level — for explanations. His theoretical framework is eclectic and unclear. Tiffany is circumspect in claiming that things might have been different, but, lacking a class analysis, he is more optimistic about alternatives and learning from history, especially in steel.

What we might learn is the need for a broad industrial policy and industrial advisory boards representing all the major players. At this time, however, Tiffany does not see such a policy as likely. One avenue for insight is how capitalism has resolved conflicts between owners and workers: some societies have turned to authoritarian or fascist tactics including the army and secret police (commonly used in Latin American and other developing countries, and occasionally in advanced capitalist countries); social democracies, popular in Europe, have attempted to establish an agreement or social contract between the most powerful elements of capital and labor; the United States relies mostly on substantial unemployment for enforcement and has never veered far into social democracy or fascism. Regardless of one's evaluation of these methods, they are not simply there for the choosing. Historical conditioning affects a myriad of factors that make a particular form more or less possible at any given time.

The steel industry is an excellent case in point. While one might imagine a social democratic solution that would have been more efficient and more humane, it is, as Tiffany realizes, quite ahistorical to suggest it as an imminent alternative. The final resolution of the steel crisis followed the more traditional U.S. pattern: plant closings, layoffs, unemployment, with limited protection for workers from the vicissitudes of management's choices.

One final topic should be discussed: the development of capital accumulation both temporally and spatially. There is always the desire and tendency to look at the period of growth both generally and regionally as the normal, happy time. But decline and stagnation, too, are major partners in the process. It is possible to argue that the roots of the decline of Pittsburgh steel date from the formation of U.S. Steel in 1901 or shortly thereafter, and that the decline of America's steel industry in general was rooted in the internationalization of capital after WW II.

Industries and regions rise and fall. The history of capitalism since the middle of the sixteenth century has produced triumphs and tragedies too numerous to recount. The working people of Pittsburgh and the Mon Valley have seen their share of both, but they have never controlled the process of change. They were always hostage to uncertainties of accumulation in steel. Now the curtain may descend on the drama of steel in Pittsburgh, but how will the next act be different? Different costumes, different sets, but what else will change?

1 The proportional decline of the steel industry in Pittsburgh can be measured in many ways. Today's output is roughly one-third of Pittsburgh's maximum historic level. The region's share of U.S. output also was once close to one-third, while today it hovers around 10 percent. Employment has declined most sharply from 120,000 in the late 1940s to 82,000 in 1978, to less than 20,000 today.
5 Houston, op. cit. 9, No. 3, 81-82

By Margaret Albert

From its foreword to its finale, the 50-year history of the Blue Cross of Western Pennsylvania describes the exemplary role played by a voluntary
organization from the Depression, through World War II, up to the so-called “competitive era” of the 1980s. The book clearly depicts the force and zeal of social organizers in struggling with the changes of an exciting and seemingly ever-expanding new hospital industry during the best years of our nation. A sense of history is essential to understanding the present state of medical care delivery in America today.

The spirit of social responsibility shown by Blue Cross permeates the book’s pages. In the introduction, the current president, Eugene Barone, looks at Blue Cross insurance coverage as benefits and services, not just payments for claims against the company.

The change to a health care industry in the 1930s was spurred by the loss of private hospital patients to government hospitals and free dispensaries. Blue Cross, in tandem with the Hospital Council of Western Pennsylvania, manifested the age-old instinct of self-preservation coupled with enlightened self-interest. Blue Cross, born in the late 1930s, became a risk-taker and shared in the prosperity that followed the Depression. Not all hospital administrators and physicians in this region endorsed these new developments, but key leaders of both were joined by community-conscious representatives from the legal profession, business sector, and local government to provide policy direction and support for Blue Cross.

The book is crammed full of facts describing the indirect and direct effects of Blue Cross in the 1940s. In fact, Blue Cross of Western Pennsylvania paved the way for the Pennsylvania Medical Society to form a single state-wide program, the Medical Service Association, later to be called Blue Shield, which would pay the doctor in a similar manner to hospitals and serve the entire Commonwealth. Blue Cross, early on, participated in a national clearing-house through which each plan could purchase “units of care” to cover its own subscribers out of the area; after interminable hours of union and management negotiations, “units of care” gave way to “Master Contract” — a uniform set of benefits covered by local Blue Cross plans across the country.

Blue Cross, born in the late 1930s, became a risk taker and shared in the prosperity that followed the Depression.

During its first 20 years, Blue Cross introduced several new concepts to the health insurance industry. Not the least of these were experience rating, controls for comprehensive care, and continuing expansion of benefits such as preventive services and psychiatric services. Perhaps a major flaw in Blue Cross policy was the introduction in 1956 of a building replacement allowance. Unwittingly, Blue Cross created a new and expensive enterprise by subsidizing excess hospital bed capacity. Witness the current average occupancy levels in Western Pennsylvania hospitals hovering around 70 percent of staffed beds. In other words, we now have one and one-half to two times as many licensed beds as would be required in a free market economy.

The over-supply of hospital beds was further compounded by the establishment of the Hospital Planning Association of Allegheny County, which was staffed by advocates of hospital expansion. Ironically, the HPA “which was funded exclusively by businesses and whose governing body was composed of chief executive officers of major corporations....” Regrettably, Blue Cross contributed to this kind of local health planning.

The chapter entitled “The Gathering Forces” is especially well written. It accurately describes events during the 1950s such as mounting concern about hospital costs and the expanding role of the consumer; but it is important to point out that the outcome from these gathering forces left much to be desired. One other omission in the book is any reference to a latter-day gathering force, namely the recent development of the Pittsburgh Business Group on Health, which is rapidly becoming an independent force for cost containment.

The book contains revelations about the tremendously innovative activities by Blue Cross, such as the recent establishment of the Pittsburgh Research Institute and the more long-standing Blue Cross systems for implementing Medicare, utilization review, and prospective rate reimbursement contract long before Diagnostic Related Groups were subject to prospective pricing by the government. But the book reveals only a few of the warts or wrinkles that accompanied these activities. For example, utilization review is deemed less effective than outcome measurements for health care and the prospective rate reimbursement contract was a near disaster for the newly formed but slowly growing South Hills Health System.

The book closes with a well-documented glowing report on President Eugene Barone, an odds-on favorite to be a major driving force to propel the great service tradition of Blue Cross in the “competitive era.”

On the whole, the book is very well written and edited. It should be considered “must-reading” for any student of the history of health
insurance and the hospital industry in Western Pennsylvania.

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Refractories: The Hidden Industry
By Corrine Azen Krause

THE American brick industry has been the subject of rising interest over the past 25 years. Spurred by historic renovation projects in many urban communities across the United States, as well as the “collectibility” of bricks as antiques, the interest in American domestic brick production has resulted in the publishing of numerous articles, on subjects ranging from restoration techniques for brick facades to examinations of the chronological changes in the manufacturing processes. These works, however, have largely concentrated on the domestic brick used in the construction of houses or other structures, with little attention paid to industrial usage of brick. Corinne Azen Krause provides a major source of information on this largely neglected area of brick manufacture.

Aply titled, Refractories: The Hidden Industry, presents a well balanced overview of United States refractories from 1860 to 1985. The growth of American industries, most notably the iron and steel, glass and ceramic manufactories, in the post Civil War era created a demand for refractory brick, or “fire brick,” used in the lining of furnaces, boilers and fireboxes. This is clearly shown in the examination of early refractory production in the United States prior to 1860, which was concerned with meeting the needs of small scale manufactories and business, with the demand for better and larger quantities of refractory materials brought about by the industrialization of the post-1865 period. The subsequent evolution of the refractory industry, from its consolidation into larger firms in the early part of this century through the changes brought about by the decline of the steel industry and the development of new needs for refractory materials by modern manufacturers, receives equally illuminating treatment.

Of particular interest is her examination of the manufacturing processes and labor conditions which characterized the refractory industry between 1900 and 1950. Beginning in 1900 the development of mechanized manufacturing techniques, such as the machine-press, which eliminated hand molding of the bricks, coupled with improved firing processes made possible by the introduction of the tunnel kiln circa 1919, allowed for increased production with concomitant savings in labor and fuel costs. Her comparison of twentieth century refractory technology with the manufacturing techniques of the late nineteenth century serve to illustrate not only the differences in productivity but also the role of the American refractory industry as an integral part of the industrial development of the nation. Krause’s description of the manufacturing process is very clearly stated and well illustrated through photographs, making the production of refractory materials and associated working conditions understandable to the layperson as well as the specialist.

The book has numerous strengths, foremost of which is the clearly defined terminology employed by the manufacturers of refractory materials. All too often works dealing with technological processes fail to explain or define the industrial terminology such that the average reader can comprehend what is being described.

The growth of American industry in the post Civil War era created a demand for refractory brick.

— a situation which Krause nicely avoids. Another strength of the book lies in its format, which allows the reader to easily compare the development of the refractory industry between various regions of the country, particularly in chapters One through Four, which present the historical overview of the industry. Finally, the closing chapter of the book presents brief histories of 38 individual companies that produced refractory materials, which is an aid for further research. Overall, Krause has done an outstanding job of bringing to light a largely ignored history. Given the dearth of material on the refractory industry and its historical context, her work serves as an entry point for further research on the subject.

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Forging a Union of Steel: Philip Murray, SWOC, and the United Steelworkers
Paul F. Clark, Peter Gottlieb and Donald Kennedy, editors.

A S Ronald Filipelli notes in his introduction to this collection of essays on Philip Murray, the Steel Workers Organizing Committee, and the United Steelworkers of America, few studies exist on the CIO movement in