provides we may venture a definition. *Geist* was the unacknowledged continuation of the Christian God after his defeat at Paris in the 1790s, subsequently freighted with notions of German superiority and, after 1867, with hostility to the idea of the class struggle. The achievement of German unification and the spread of industrial society undermined whatever utility the *Geist* may have had. Yet *Geist* was not cleaned out of the academic mentality, just as the archaic elitist subjects were not taken out of the curriculum. Traditional authoritarian ideas abounded in German society before 1933, and *Geist* was one of the concepts which made the Nazi myths more acceptable.

Ringer's style is so Teutonic that it is difficult to believe that one is reading English. He exalts the men of *Geist* as if Germany were the whole world: "Perhaps no group of men has ever proclaimed the worth of personal culture more than such idealists as Wilhelm von Humboldt and Friedrich von Schiller"; he grieves over Versailles' having made Germany "impoverished and shrunken"; and he overuses "crisis" like a *Bundesrepublik* politician describing his party's 1% vote loss in the last state election. Despite the promise of the introduction, *Geist* is taken at face value, i.e., in relation to supposed ultimates, not in relation to realities, and it is even once asserted that the mandarins controlled Germany in the nineteenth century. A formidable work which could, however, have been abbreviated without loss of content, its virtue lies in providing a mass of evidence that Germany has been as miserably served by its educators as by its industrialists, generals and politicians.

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The Challenge to U.S. Dominance of the International Corporations, by Rainer Hellmann. New York: The Dunellen Company, Inc., 1971. $17.50. Pp. 348.

Between 1950 and 1970, there was roughly a tenfold increase in American direct investments in Europe. The fear arose, and found expression in various publications, that this trend, if not reversed, would sooner or later subject Europe to the rule of American capital. Hellmann's book deals with this American dominance by way of international corporations operating in Europe and the world at large, and with the counter-moves on the part of European capital to arrest this one-directional capital movement in favor of a greater dispersal of economic power in the world economy.

Hellmann finds the internationalization of production, as practiced by multinational corporations, outweighing by far the importance of foreign trade. In fact, the value of U.S. overseas production is more than twice that of American exports. Hellmann is most competent in relating descriptively and statistically both this expansion of American investments and the reactions of European authorities and European capital. He thinks that American corporations recognized the opportunities provided by the European Common Market earlier than their European competitors, thereby gaining an advantage. This has to be overcome, not simply by opposing the multinational corporation, but by partaking in their formation and expansion and by international arrangements on the governmental level. He sees the further integration of European capital as a necessary precondition for this development.

More was involved here, however, than just the recognition of an opportunity, as may be seen by the ambiguous attitudes displayed by European capital toward American penetration of its home territory. It feared the decline of American investments as well as their growth, because its own prosperous conditions were inextricably bound up with the expansion of American capital in Europe. In the long run, of course, this expansion must be offset, either through obstacles placed in the way of American corporations, or through correspondingly larger European capital exports to the American markets. It was the relatively lower profitability of capital in the United States which induced capital exports in the first place, and which restricted larger European capital exports to the United States. With the slowing-down of the expansion of European economies and the resulting equalization of profit rates, capital movements may again take on a more traditional character by losing their one-sided direction. In fact, according to Hellmann, "Europeans hold now almost exactly the same amount of private investments in the United States as Americans on the old continent." But there is a difference in that "in the case of Europe, the investors are corporations, whereby in the case of the United States, about two-thirds of the investors are European savers," that is, not the direct owners of productive enterprises. Since 1967, however, "European companies have for the first time increased their direct investments in America more rapidly than American firms increased theirs in Europe."

Yet the outlook for a more equal distribution of foreign direct investments remains highly dubious because of the American headstart in the field and because of the larger size and greater financial resources of the American parent organizations. As Giovanni Agnelli, chairman of *Fiat,* said recently: "European industry is too small in comparison with

American industry to pose a real challenge. *Fiat,* a giant in Europe, has yearly sales of the order of General Motors profits." Despite such European multinational corporations as Unilever, Shell and Philips, "America's position in Europe is about two and a half times stronger than that of Europe in the United States," as Hellmann sums up the situation. Coping with this competitive power would necessitate a rate of expansion of European capital which could not be brought about merely by a better integration of European capital through mergers, concentration and the removal of the remaining obstacles to a truly common market equivalent to the American market. The attempts will be made, nonetheless, indicating an intensified competition, which will bring all the capitalist contradictions into still sharper relief.

Taking the capitalist system for granted, Hellmann, in analyzing the multinational corporations, does not concern himself with the real underlying problems of capital production, but only with their market appearances. Within this frame of reference, however, his suggestions appear reasonable, for they are designed to bring greater order to the disorderly conduct of the international economy, and to bridge the gap between national interests and those specific to the multinational corporations. He sees the difficulties in the way of such endeavor, but not their irreconcilability, even though he feels that truly supranational corporations, such as those which can no longer be attributed to the national state, are only wishful thinking which relates to a faraway and perhaps impossible future. Presently, the ownership and decision-making powers of the multinational corporations are in national hands, and, in the case of the United States, point to a convergence between private and public interests in order to secure the dominance of American capital. But whatever the self-imposed limitations of Hellmann's analysis, the facts he offers are worth pondering, and they do provide, often for the first time, reliable estimates of American investments in European nations and a comparison with foreign investments in the United States.

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The Enemy: What Every American Should Know About Imperialism, by Felix Greene. New York: Vintage Books, 1971. $1.95. Pp. 391.

Another erstwhile dissenting liberal has turned avowed Marxist. Felix Greene, established producer of books and films on China, Vietnam and Cuba, has published his boldest and most ambitious book, a comprehensive and powerful study of imperialism entitled *The Enemy: What Every American Should Know About Imperialism.*