"This is a patriotic book. It calls for America to get back on course, to return to its historical role. This is also a subversive book. It is highly critical of the American Scence, of our nostalgic retrenchment into individualism and pivatism in the face of growing corporate collectivism."

This paragraph from the preface summarizes the duo themes of this book--that America has forgotten what made its economy great in the first place; and that the increased power of corporations has made economic policies based on conventional economic theory obsolete.

Dugger divides his book into three parts. The first part, titled "The Sick Economy and the Quack," provides a description of America's economic decline and explains why Ronald Reagan's free enterprise approach to reversing this decline will not succeed. Dugger claims that, contrary to Reagan's trickle-down perspective (embedded in his free enterprise, deregulating, and decentralization philosophy), economic progress has historically been the result of a push from below. It has been the dispersion of knowledge and skills among the underclass that stimulated economic growth, not tax cuts for the wealthy. The failure to recognize this fact is one of the major elements of our economic decline.

The other major element has been the emergence of the corporation and its attendant bureaucratic structure. Among the important aspects of this emergence has been a revision in the roles played by various economic actors. According to Dugger, the
power of the U.S. corporate conglomerate has transferred consumers from "eager demanders of goods to fickle suppliers of general revenues" as the conglomerate takes control of the marketplace. Conglomerates have altered the producers' role in the marketplace as well, by allowing a single firm to move into several different markets simultaneously. To the extent that a firm can sell in different markets its pricing strategy is no longer constrained by the occurrences in any one market.

Finally, the nature of regulation has been altered. Whereas historically regulations have been industry specific, in recent years they have become function specific. Regulatory agencies such as the EPA and OSHA cut across industry lines, and thus are less likely to become captured by special interests.

In the second part of the book, "Reforming the Corporation," Dugger presents a more complete analysis of the conglomerate and its bureaucracy. Dugger believes that the corporation is a very efficient organizational structure. However, rather than passing the benefits of that efficiency on to consumers, corporations waste it in the process of building and maintaining huge bureaucracies. These become self-generating through the processes of "filtering" (initial screening) and "homosocial reproduction" (promoting only those who fit the bureaucratic mode). These processes restrict the entry of innovation into corporations, causing them (and ultimately the economy) to stalemate. Ronald Reagan's remedy for a declining economy, laissez faire, serves to aggravate the situation by granting more power to the corporate bureaucracy.

In addition to identifying the problem, Dugger also presents some policy proposals aimed at reforming the corporate bureaucracy. These reforms are not intended to destroy the corporation, but to modify it. They range from the familiar (revise U.S. education from a tool for vocational training for bureaucracies back to its original purpose of preparing for