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Rodney

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be little concern about inflation as long as the per annum rise in the general price level is below 1.75 percent but that inflation will be widely viewed as an economic problem when the per annum rise exceeds 2.75 percent. He feels that the "best simple-minded truth" on this subject is still "too much money chasing too few goods." This analysis suggests that the basic cure of inflation is to cut aggregate demand by fiscal and/or monetary policy sufficiently so that money spending will no longer exceed the value of goods. Mr. Okun feels, furthermore, that fiscal-monetary policies should be reinforced by a "major effort to enlist the voluntary cooperation of large firms and labor unions with substantial market power," in short, "jawbone control."

Henry H. Fowler, former Secretary of the Treasury, is in agreement with Okun on the desirability of jawbone control. While he has confidence in the efficacy of fiscal policy, he acknowledges that it must be supported by monetary policy. In the first half of the sixties he finds fiscal policy exemplary, but in the second half the experience was shattering. He offers three suggestions for improving the effectiveness of fiscal policy, including delegating to the President limited authority to make quick and positive adjustments in the levels of certain taxes, subject to congressional veto.

The third lecturer, Milton Gilbert of the Bank for International Settlements, devotes his lecture to the relationship between the balance of payments and inflation. The main point at issue he finds to be the applicability of balance-of-payments discipline to the United States. The underlying factors are a large and persistent U.S. balance-of-payments deficit, coupled with a deteriorating reserve position, and aggravated by a strong inflation. The United States has unfortunately departed far from her original position at Bretton Woods when she favored "discipline" in the system.

Recently she has been an ingenious leader in devising means to avoid discipline.

In order to correct her present fundamental disequilibrium, Dr. Gilbert urges the United States to change the gold parity of the dollar. Such action would, he argues, correct the U.S. payments imbalance by relieving its shortage of gold through enlarging gold production, restricting private demand, and raising the total value of the available new monetary gold. Although the new Special Drawing Rights can contribute importantly to a more effective monetary system if they are used widely and are not expected to be the sole means of providing for the future growth of global reserves, they cannot, he avers, solve the crisis of the gold-dollar system. They do not initiate an adjustment process to the disequilibrium of the dollar, and many sovereign states are likely to want some part of their future increases in reserves to be in the form of gold—regardless of SDR's.

This reviewer finds it difficult to accept Okun's analysis that the sharp rise in prices in 1969 is largely attributable to failure by the President to attempt to influence particular price and wage decisions. "Jawboning" seems to work when it is not needed; it is of more dubious effectiveness when fiscal and monetary pressures are strongly inflationary, as they were after 1965. Once the seeds of inflation are firmly rooted in the price and cost structure, their fruit continues to ripen for many periods after further sowing has slackened.

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Rodney. Spinney, David. Annapolis, Md.: United States Naval Institute, 1970. 843p.

Times may change, but the problems a naval officer faces do not. David Spinney's *Rodney*, a biography of the 18th century Royal Navy admiral,

shows that even in the era of sail the major problems facing the operating forces were personnel, support by the shore establishment, and communications. In that era press gangs provided seamen, and dockyards were inefficient, if not corrupt. Communications were slow and unreliable, even among ships in company.

Adm. Sir George Rodney's professional life spanned nearly half a century, from the war with Spain in the mid-1730's until the conclusion of the American Revolution. David Spinney, accurately and with great skill, describes the pitfalls which an 18th century Royal Navy officer had to avoid in order to have a successful career. Because advancement was uncertain, a naval officer had to play partisan politics, which at that time were rough.

As a vice admiral, Rodney ran for Parliament. For all practical purposes, he bought the votes that put him in office, thereby ruining himself financially. It was necessary, because only by being politically important could he hope to be given suitable commands. Some commands were more sought after than others, primarily because of the prize money involved. A flag officer's or captain's share was considerable. The wranglings, vexations, and heartaches accompanying the awarding of prize money were such that the modern naval officer is glad he is spared that problem.

As a politician, Rodney had a genius for miscalculation, which his speeches and political alignments in retirement prove only too well. If his forte was not politics, he was above all else a truly outstanding naval officer. His two passions at sea were gunnery and the welfare of his seamen.

The record Rodney left is replete with evidence of his prodding and his dynamic efforts to better the lot of his men. In an age not noted for its humanity, this one trait endeared him to British sailors, who frequently re-

quested to serve under his command.

Today Rodney's passion for gunnery could be called operational readiness. He was more than justified in his rigid insistence upon training, seamanship, and discipline. The proof came in a remarkable series of victories over the Spanish and the French. It was only by the merest chance that Sir Thomas Graves and not Rodney met the Comte de Grasse off the Chesapeake in 1781. As a result of Graves' mishandling his ships, which Rodney probably would not have done, De Grasse was able to cut off Cornwallis from reinforcements by sea at Yorktown.

The style of this work is lucid and readable, and the research is thorough. The result is a definitive biography of an outstanding naval officer and an entertaining description of the times in which he lived.

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Wilkinson, Burke, ed. *Cry Spy! True Stories of 20th Century Spies and Spy Catchers*. Englewood Cliffs, N.J.: Bradbury Press, 1969. 271p.

Burke Wilkinson, who headed the Navy's Magazine and Book Section as a Naval Reserve commander before he became a Deputy Assistant Secretary of State and then Civilian Advisor to SAC Europe, ends this book with a quotation from Allen Dulles (the founder of CIA) that bears repeating: "In a free society counterespionage is based on the practice most useful for hunting rabbits. Rather than look for the rabbit, one posts oneself in a spot where the rabbit is likely to pass."

These true stories—many in the recorded words of the spies or spy catchers themselves—might help us position ourselves to prevent or catch the next "big security break."

A new generation is taking over the military-government-political-social world, and many of these young people have not had security bred into them.