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WHY WE SHOULD SAVE AMERICA FIRST

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WHY WE SHOULD SAVE AMERICA FIRST

I have said at some length in a book, published the other day, all that I know about the subject of my talk. But since you have asked me to speak on that subject, I shall, with your permission, plagiarize from my own writing — while, for lack of time, I shall, on occasions, necessarily over-simplify my statements.

A great deal has been written and said, recently, about the power of words to fetter our thinking. A decade ago, Ogden and Richards, in "The Meaning of Meaning" began to startle us from our dogmatic slumber induced by opiate verbalisms. Not long since, my friend Stuart Chase told us brilliantly about the tyranny of words, and Thurman Arnold has dusted off some of the words we use in thinking about government. Some eight years ago I myself wrote much on that subject with regard to lawyers' verbal usages and suggested that the time had come to overthrow the dictatorship of the vocabulary.

Words are the most subtle guardians of our most harmful folkways. A traditional error that can ensconce itself in a word, may, for centuries, resist the attacks of evidence, reason and change. Words act as blinders. They prevent us from analyzing and becoming conscious of our own customs and of the disutility of those customs that are harmful. Words frequently serve to glue together disparate attitudes which have no logical or necessary connection. Properly employed, of course, words are the most useful of man's tools. Like drugs, dynamite and knives, they are indispensable to civilization, but can also be put to the most debased uses.

Words often rigidify thinking. They breed so-called "self-evident truths," that aren't self-evident but are merely taken-for-granted assumptions. Economists constantly fool themselves and others by the use of words, and the excessive authority of tradition is often irrationally maintained, and unwise resistance to change is often aided, by the use of false word entities.

In the simpler concepts, we tend to go behind the meaning of words; in the broader concepts, we seem to bewilder ourselves. For example, no one in his right mind confuses the equine animal, the horse, with that household implement, the clotheshorse. We keep ink in a pen and we keep pigs in a pen, but we easily distinguish the different kinds of penmanship. Most of us know that there is little likeness between the law of gravity and the income tax law. There are few of us like the librarian who classified her books "Mill — on liberty" and "Ditto — on the floss." Most of us are not fooled all the time into believing that objects are identical merely because they bear identical names. But, unfortunately, there are some contexts in which words do confuse and entangle us, and this is especially true in the fields of economics and politics. We talk easily about such things as "Capitalism," "Democracy," "Communism" and "Fascism," yet I dare say that even this gathering of cultivated minds could spend several days attempting to confine any one of these words in the mold of a single clear concept.

There are, however, two words which I am sure we would all agree are significantly different in meaning. Those two words are "Europe" and "America." We know that America is not Europe. Yet if we break the idea of America down into its component concepts and then look carefully behind each of these concepts, we may be in for some surprises.

Our culture has deviated in striking ways from Europe's. The differences are many; the likenesses are deceptive. Originally we derived our culture from abroad, but that should not mislead us, for we have reacted to that original, cultural heritage in our own unique fashion. Our cultural borrowings have been refracted by our own "cultural configuration."

We have taken over from Europe some of our most valuable institutions and ideas -- economic and others. Attached to those acquired useful institutions and ideas were other harmful European attitudes which happened to be coupled with the valuable ones. We have borrowed the good and the bad. But the disvaluable borrowed customs are neither necessarily connected with the valuable, nor does their elimination require an alteration of those American folkways which are central in our culture. It is possible, therefore, in this country to dissociate our harmful social habits from the main body of our traditions without an affront to the highest values of the majority of our people. We can observe that what is known as "Capitalism" has, in Europe, gathered fungus growths or barnacles which we can scrape off.

The most glaring mistake made by American economists is that they have based their most important so-called "laws" on observations not of American but of European society. They have borrowed the generalizations of their European brethren. The latter, too, reason logically from what are often inaccurate descriptions of customs; but at least their descriptions and their "laws" are moderately relevant to the social groups in which they live; they are describing and predicting the consequences of habits and customs of European men living in a profit system limited and conditioned not only by past usages but by circumstances peculiar to the countries of Europe. Yet the whole present-day American controversy over "Capitalism," centering around the antithetical programs of Communism and Fascism, is based on the generalizations of European experience -- on observations of men in another time and place under different conditions of life.

See, for instance, how Karl Marx formulated Communism on the basis of his study of Germany and England in the middle of the nineteenth century. To understand clearly his background, it is essential to have well in mind some elementary observations about the word "property." There are, roughly speaking, two kinds of "property." The first kind consists of so-called "consumers' goods" -- the kind of property that a man has in his coat and trousers, his neckties and shirts, his house, his food, his auto, safety razor, radio, pictures, dogs, rugs, tennis racket, pipe or books. Men live and have their well-being through the use and enjoyment of that kind of property. Virtually all the differing political and economic programs agree that more and more people should own more and more of that kind of property. But there is another kind of property -- property in the things necessary to produce consumers' goods -- producers' goods or capital goods, such as tools, machines, factories, and farms. The quantity of consumers' goods depends on the way

in which producers' goods are used. And the persons who control producers' goods have much to say about who shall receive consumers' goods, and in what quantities -- about the standard of living of most of us. Consequently the ownership and control of producers' goods is the crucial factor in any comprehensive political or economic program. And, therefore, the differences between such programs have to do with proposed differences as to the ownership and control of producers' goods -- with what we call property rights in the things which produce consumers' goods which are the things which keep men alive and which they enjoy.

Now let us observe the conditions of property in producers' goods when Karl Marx developed the Communist program. Prior to the time he wrote his book, *Das Kapital*, although the so-called Industrial Revolution had then occurred, the industrial system was in its infancy. This was the era of small factories. Producers' goods were so meager that the aggregate amount of consumers' goods capable of being produced was insufficient to insure anything more than an exceedingly low standard of living for the ordinary man.

Somewhat larger factories began to develop, and it was then that Karl Marx, with amazing vision, foreseeing the trend, predicted that the ownership of producers' goods would become more concentrated and that the productive capacity of factories would greatly increase. The well-being of the ordinary man could be substantially enhanced, he said, by expropriating the owners of producers' goods -- by eliminating private property in that kind of goods -- operating such goods collectively and distributing the consumers' goods they would produce. For two reasons, according to Marx, this would be so: (1) The profits, or share of consumable things, which formerly went to the few private owners of producers' goods, would be diverted from them and made available for general distribution. (2) By collective operation, the producers' goods could be used more efficiently, and therefore there would be more consumption articles available.

But the productive capacity of producers' goods was actually -- and as far as anyone could foresee, potentially -- at that time so limited that the best that could be imagined was only a very modest amount, for most men, of those things that sustain life and give creature comforts. Marx, although brilliantly prognosticating certain aspects of future economic development, could not, in mid-nineteenth-century Europe, possibly foresee what the twentieth century held in store for America. When Marx was doing his thinking, the most efficient use of all production goods then existing, or reasonably imaginable for the future, could not produce enough consumption goods to make most men more than barely comfortable. The mere relief from pain and squalor was, with respect to the generality of men, the most that any economy seemed likely to achieve. As most men could not be given much more than subsistence, no matter what was done, Marx demanded not only the collective ownership and operation of all means of production but equality in distribution of consumers' goods. And he encouraged the bloody revolutions he believed essential to accomplish those results.

Marxism -- Communism -- was, then, a program made in nineteenth century Europe in the light of the limited productive capacity then existing, or

reasonably in contemplation. Indeed all economic and political programs made in Europe -- including free trade and laissez faire -- came into being in similar circumstances, were contrivances to meet or explain conditions then maintaining or then apparently attainable.

But in America today conditions are vastly different. A new kind of producers' goods exists and can be used here in a manner which can make those European programs largely irrelevant for us. Communism was conceived in a state of affairs which, for America at least, is obsolescent, and, if we are intelligent, can become obsolete. Since the days of Karl Marx there has come into being, as a heritage of applied science, a new industrialism, resulting from a new type of producers' goods. We have had what might be called a Second Industrial Revolution through the advent of power-driven mass-production plants. Indeed, it might be said that a Third Industrial Revolution has begun. For, with the use of electricity, new machines have been developed which, with the advent of "scientific management," have immensely increased the potential output of industry. And in America this revolution has developed in a setting peculiarly adapted to its use and on a peculiarly magnificent scale. This Third Industrial Revolution has potential consequences so markedly different from what was known in Marx's time that its advent makes possible, if we have the wisdom to use it rightly, a transformation of American civilization. In the recent development on the American continent of such power-driven mass-production plants we have a key to wide-spread human welfare, in this country, of a kind which could not have been contemplated by the wisest of mid-nineteenth-century thinkers.

Not until the twentieth century did an appreciation of the amazing potential benefits of the power age begin to affect thinking. Most of us are still actually unaware of its significance. Neither our plans for America nor our vocabulary are as yet adequately adjusted to the possibilities of that totally new civilization. We are still operating as if the astonishing novelty of mass production and the power age had not occurred -- because we are, most of us, slavishly following thought patterns contrived to meet a situation where there was not enough to go round. And we continue to be drugged with verbal formulas made in Europe to fit the unavoidable exigencies of a pain economy from which we, in America, can escape -- as Europe cannot, for reasons I shall presently indicate.

Another European reaction to a European situation which has been smuggled into American thinking inside a good round word is "Fascism." It is imperative for Americans to analyze that word. It is possessed of a peculiarly stupefying vagueness. It was only recently minted; and European events and institutions and ideas which it originally labeled are still in the process of development. Moreover, in Europe, it now refers to happenings in two different countries; those countries have problems which are not identical; and the happenings in those countries are different in many ways. Most of the utterances about what Fascism is, and many of the cocksure predictions as to what it will do, and must do, are glib mouthings based on scant European evidence. (Some of the most dogmatic statements of that sort come from those Communists who, ordinarily, assert that Marx' predictions were infallible and complete. But Marx never anticipated what later occurred in Italy or Germany.)

The word Fascism has been used in America in at least the following different ways: (1) To denote a profit system in the absence of political democracy -- under some form of political dictatorship -- accompanied by mock-radical appeals to the masses and especially to the lower middle classes, but originally financed by and operated primarily in the interest of the upper stratum of those who control production goods. (2) Fascism is also used to describe a profit system, under a democratic form of political government, but in which a minority controls economic powers -- sometimes employing violence to maintain it -- and blocks or retards or acts in disregard of an achievable advanced standard of living for the majority. (3) Fascism is, again, used to define any profit system where a minority (whether or not under a political democracy) controls economic power.

Now to confuse those diverse definitions, so that the mind skids from one to the other, is dangerously to play with words. Most Americans, whatever may be their economic philosophy, abhor a political dictatorship or a political oligarchy. The battle for political democracy resulted in an all-important victory in America, and to most Americans political democracy is a sacred treasure. They are nauseated by the idea of Fascism for America -- if Fascism be defined as a profit system coupled with political dictatorship or political oligarchy. ✓

- But there are some Americans who, while cherishing political democracy, stop there. They are relatively uninterested in the economic welfare of the majority, and their self-interest is not sufficiently educated or enlightened to make them see that their own economic welfare is bound up with a better standard of living for most Americans, the diffusion of increased purchasing power. Such men are adherents of Fascism -- only if by that word one means economic power, in the hands of a few, so employed that the widespread diffusion of purchasing power is frustrated. That use of the label, Fascism, is confusing. However foolish or impractical may be that philosophy, it does not aid clear thinking to call its adherents Fascists. If they are Fascists, then Alexander Hamilton was an outstanding Fascist. The importance of distinguishing that philosophy from Fascism is this: As long as political democracy exists, there remains the possibility that that niggardly philosophy can be rendered increasingly less effective in actual practice, either by legislation or by fear of legislation. The abolition of political democracy removes that possibility. While a dictatorship may become a benevolent despotism, the risk is too great that it will not. Moreover, there are real values in the political liberties which accompany a political democracy and disappear under a dictatorship.

And finally, it peculiarly stupefies clear thinking to designate as Fascism a political democracy in which economic power is closely concentrated, but is intelligently employed to increase rapidly the general standard of living. One may argue that such a state of affairs is undesirable, or is less desirable than some other, or is impossible to achieve. But to dub it Fascism is to disclose either stupidity or intellectual dishonesty. If that be Fascism, then Thomas Jefferson was a Fascist.

The truth is that in no place on earth has there ever been a political democracy in which economic power has been either democratically distributed

or actually and directly controlled by the political democracy. If the lack of such distribution or control of economic power is the essence of Fascism, then America has always been Fascist. Fascism, thus defined, means any state of affairs other than Communism -- and would, indeed include the present state of affairs in Russia where, undeniably, there is not complete political democracy.

But it will be said by Communists, "You have not correctly defined Fascism. It is not merely political dictatorship, disguised as radicalism, operated in the interest of an economically powerful minority in a profit system; therefore Bismarckism was not Fascism. "It is," they assert, "such a dictatorship employed by the powerful few under Capitalism (the profit system) when Capitalism is beginning to die. And," they continue, "European experience proves that Fascism is inevitable in America -- unless we begin rapidly to move in the direction of Communism. The powerful business rulers, who are the chief beneficiaries of Capitalism, have in all countries come to see or anticipate its decay. They have therefore become more ruthless. Their ruthlessness, bred of despair, takes the form of political dictatorship, violent resistance to any strong labor movement, suppression of civil liberties. Such a state of affairs appeared first in Italy, then in Germany. Soon, everywhere, Fascism will assert itself."

Now that reasoning is based upon European experience. There is no doubt that decay of some kind seems to be eating away at the European system, that a deep sense of despair is prevalent in Europe, that in each European country the ruling class is fearful of being overthrown, that in Italy and Germany the economically powerful used a mock-radical political dictatorship to avoid the loss of all their power, and that in other European countries there is a tendency for them to do the same.

But we should beware of reasoning by those analogies. It may well be that most European countries are "doomed." That is, as they are set up today, the future seems to hold for their peoples a standard of living far below that which in the past fifty years or so they have enjoyed, or at any rate have anticipated. But there is considerable reason to doubt whether that doom is ascribable to the present existence of Capitalism in those several countries -- or, to put it differently, whether, in any single European country, that doom can be averted merely by abandoning the profit system.

The serious present plight of Europe is, it would seem, due to an accidental collocation -- to the fact that industrialism arose in Europe at a time when Europe was split up into small national states with limited natural resources operated under a system of profit economics. That collocation -- of (1) industrialism, (2) the profit system and (3) national states with slender resources inadequate to support their own industries -- was not, however, inherent in the nature of things. It was, by all reckoning, not inevitable but an historical accident. If England, for instance, had not overthrown Napoleon, Europe would probably have been integrated into one nation covering the Continent. In that event, the present condition of Europe might have been vastly different.

The present disintegration of Europe had its counterpart in America, in the earliest period of the Republic. The Revolutionary War made the thirteen English colonies thirteen independent American nations. In the Declaration of Independence they declared themselves independent, not only of England, but of one another. They called themselves "Independent States."

The Articles of Confederation left the thirteen American nations largely autonomous, expressly constituting merely a "confederacy" or "firm league of friendship," and explicitly providing that "each State retains its own sovereignty, freedom and independence," and all rights except those few expressly delegated to the Congress. Each was free, as a matter of law, to govern, as it pleased, its trade with the others. The Congress had no power to interfere; it was virtually a conference of diplomats representing thirteen nations.

What the legally independent nations of Europe today do to one another repeats in many striking particulars what the thirteen American states did to one another shortly after they defeated the British. They erected protective tariff barriers and embargoes against one another, they discriminated commercially against each other, one state taxing imports from another state at a higher rate than imports from England. They engaged in tariff wars. Every state suffered. No one of the American states could be self-sufficient even in that pre-industrial era. They were economically interdependent, but the political anarchy produced economic anarchy.

It was to meet that desperate situation that the Constitutional Convention was summoned. To prevent what Gouverneur Morris called "commercial destruction of one state by another" the thirteen states relinquished all their sovereignty with respect to regulation of commerce among themselves to a superstate, the Federal Government. They abandoned legal separatism and accepted unity. In that heroic way they solved the question of how nations economically dependent on one another can avoid the dislocations incident to such interdependence.

What was obvious with regard to the American states in the 1780's is equally obvious now with respect to those European nations which must rely on foreign trade, and which are therefore economically interdependent. The fatal weaknesses of the European economy today are the same as those which existed in America prior to the adoption of the Constitution, but today, in the industrial era, such weaknesses are bound to be felt in even more aggravated form. Yet all attempts at international harmony are bound to fail because of the independent legal sovereignty of the several nations comprising Europe. There is no centralized power, no power to compel any country to abide by uniform regulations. Just as was once true of the thirteen sovereign American states under the Confederation - their League of Nations - everything rests on the unreliable and revocable consent of all the nations concerned. The legal equality of the several countries and the national sovereignty of each makes any stable order of European economic relations utterly impossible.

Interdependence economically does not meet the problem. It but aggravates it and will continue to aggravate it -- unless and until a balanced economy for the entire group of interdependent countries can be created through governmental unity. European countries are disunited states. Europe needs one government with full interstate commerce powers. For when economic interdependence transcends the boundary lines of common governmental control, then hell is bound to pop unless the governmental boundary lines are so widened as substantially to match the confines of the economic interdependence. This America learned in the eighteenth century. And if it was true in America then, when the age was predominantly agricultural, it became far more true for Europe once the machine age began to develop.

It is possible, however, to have a condition of (1) industrialism, (2) under "capitalism" and (3) with political democracy, if you have (4) a united national state, relatively self-sufficient and with adequate resources, such as we have in the United States.

But suppose you have -- as in Germany or Italy -- industrialism in an isolated national state, without adequate resources. It is evident that such a set-up is headed for trouble -- whether "Capitalism" or political democracy be present or absent; that a state under industrialism, but without adequate resources, will not be able to succeed whatever political or economic mechanisms are employed. For such a state, without proper resources in its own confines or the means of obtaining them elsewhere, must eventually debase the standard of living of its people, will be unable to maintain for them either that standard to which they are accustomed or that which they anticipated.

The Communists say that it was the presence of Capitalism that caused the difficulties of Italy and Germany. The Fascists say that the cause was the presence of political democracy. Analysis seems to show that the basic cause was neither the presence of Capitalism nor of political democracy -- but the absence of continental integration.

We in America must not confuse our own problem with the European issue. We must see that the struggle in each European country today may be considered as a phase of the fight for continental integration.

It may be that that fight cannot be won, in any European country, under industrialized capitalism, because each of the Capitalist groups in each separate nation has a vested interest in its separate national set-up, and the resistance of each such group to European unification is therefore undeniably violent; perhaps, therefore, only Communism will make this integration possible. But European continental integration, whether under one or another system, is today the fundamental issue. We in America must not confuse the European issue. We must see that the striving for indispensable unity underlies the contest between Fascism and Communism in European countries.

But whether Fascism or Communism is the route to European integration need not here be considered. The significant point, for Americans, is that *it has not been proved that an integrated Europe if it had previously come into being or were now to appear, could not succeed under a profit system.* That is of the utmost importance for Americans. For, even if it were true that Europe, as it has developed, cannot today achieve integration under

industrialized Capitalism -- so that the experiment of an integrated Capitalistic industrial system can never be made in Europe -- *the significant fact is that the United States, an industrialized Capitalistic state, has achieved continental integration and therefore possesses sufficient resources to be largely self-sufficient.*

Fascism in any European country is a desperate program of the economically powerful to save the situation and to retain much of their own power while maintaining the profit system. Communism in any of those countries is a program to save the situation by destroying the profit system. But the situation cannot be saved in an unintegrated Europe. The struggle between the proponents of these respective programs in European countries is at bottom due to that lack of integration. The fundamental cause of the struggle is not the profit system, but the grim fact that no industrialized national state, if isolated and founded on an insufficient geographical and economic foundation, can today achieve anything but misery.

Faced with that misery and the danger it involves of the destruction of their own privileges, the economic rulers in each European country have sought to avert, or are flirting with the idea of averting, that destruction by a political dictatorship conducted primarily in their own interest; while their opponents seek to avoid that misery by wiping out a profit economy-- that is, by Communism. But the misery is unavoidable in any single European country under either of those systems because of the narrow foundations of the several industrialized nations.

In all European countries the economic conditions have indeed neared or are nearing the point of desperation. The inevitable reaction for a large part of the population in each of those countries has been the creation of a sentiment hostile to its economic ruling class, a sentiment threatening to crystallize in a successful movement to deprive that class of all or substantially all its power. The economic ruling class in Germany and Italy have set an example for Big Business in other European nations. In Germany and Italy, declining prosperity meant that Big Business was in danger of being destroyed. Opposed to Big Business were the workers and the lower middle-class -- the small businessmen and the farmers. If they had combined their strength so as to control the popularly elected legislature, and, by lawful processes, to change the constitution, they could have legislated Big Business out of existence. And, with a declining standard of living, such an eventuality was approaching. In Germany, prior to Hitlerism, the Communists had six million votes, the Socialists almost seven millions and the Nazis eleven. And in Germany and Italy there was no possibility of increasing the national income sufficiently to satisfy the demands of the underprivileged and yet to allow Big Business to retain much of its power. The continuance of political democracy therefore meant, without any doubt, such an encroachment of State control on the power of the economic ruling class as to insure, within a relatively short time, the destruction of that class.

To salvage some of its power, that class allied itself with its less hostile enemies to defeat the more hostile. It combined with the lower middle class and those among the workers who were more opposed to Communism than they

were to Big Business. It used that alliance to create a political dictatorship which abolished the democratically elected legislature and deprived the labor unions of all real strength. In that way Big Business, for the time being, got rid of the danger to it of increased wages and of legislation which would drastically cut into its power.

But, in forming that alliance, Big Business had to diminish its own previously held power. The small businessmen, the farmers, and the upper crust of labor who joined that alliance were opposed to Communism, but they had no great love for Big Business; and the political dictators, in order to come into power, had to promise measures which would curb Big Business. The latter never intended nor expected that all those promises would be fulfilled. Yet it was compelled to acquiesce in a program containing those promises and to turn over the control of the State to a political dictator who might try to live up to some of them. Indeed, as Fascism has developed in Germany and Italy, the dictators have been forced to move in the direction of fulfilling those promises. And the retention of their position seemingly requires that the dictators should continue to do so. For, otherwise, the allies of Big Business are likely to abandon the alliance and, combining with some portion at least of the proletariat, proceed to the elimination of Big Business. So that Big Business could not and did not, through Fascism, add to its powers, but chose the alternative of Fascism in order to prevent a threatened loss of all its prerogatives. The economic ruling class surrendered some of its control as a means of preserving the remainder of it. And thereby it created a dangerous instrument which may someday destroy that class.

Fear of the destruction of all its prerogatives is warrantably beginning to grip the ruling class in each of the other European countries. The economic conditions of Europe are so hopeless that the possibility of restoring, increasing, and maintaining adequately, the welfare of the mass of the people is indeed slight, if it exists at all. Accordingly, there is an objective justification for the belief of the upper class in each of the non-Fascist European nations that it will, relatively soon, be dispossessed. And it is but natural that, more and more, each such class should be considering the wisdom of imitating the upper classes of Germany and Italy. It follows, then, that in the non-Fascist European countries the fear of the coming of Fascism by those who oppose it is as much justified by the objective facts as the fear of Communism on the part of the ruling class.

Communists assert that the development of Fascism in Germany and Italy confirms their oft-repeated generalization that a ruling class will never yield any substantial part of its power but will, instead, resist with force and to the limit, any important diminution of its prerogatives and will fight to the last gasp. Yet what occurred in Germany and Italy demonstrates the precise opposite. In those countries the dominant class, in order to prevent its own total destruction, was willing to surrender a considerable part of its privileges. Fascism was for it the lesser of two evils.

But, in America, Fascism--if defined as the abolition of political democracy and the establishment of a political dictatorship--would result

in a far greater reduction in the power of the economically dominant class than would an intelligent reconstruction of the profit system under a political democracy. For our economically dominant class, the latter expedient is, undoubtedly, the lesser of two evils. For, if that class is intelligent, it will find that there is no need to adopt such a risky alternative to total destruction as Fascism. It will imitate the conduct of German and Italian Big Business—to the limited extent of yielding some of its power. But it will not slavishly imitate the ruling classes in Europe and seek to take over the device of dictatorship. It will, instead, if well advised, strive to maintain our political democracy and to reconstruct our economic system in such a way as to meet many of the demands of the other economic groups. And such a method is possible in America, as it was not possible in Germany or Italy, because in this country the national income can be increasingly enlarged under a profit system, and in Germany and Italy it could not. Wherefore, if what happened in Germany and Italy is to be used as an analogy, we should not expect to see American Big Business turn to Fascism.

That Big Business in America will act understandingly is not certain. It may overlook the uniqueness of America and foolishly believe that American conditions are so essentially like those in Europe that it must, to preserve any of its power, undermine our political democracy and crush the American labor movement. And it may persuade many of our small farmers, small businessmen and the upper strata among the workers that Communism is approaching and can be avoided only through a dictatorship. Such a policy would be incredibly stupid. Its adoption would signify that American Big Business are far less intelligent than those in Europe. In other words, in America Fascism today is not, as it is in Europe, an objectively justified fear reaction. Not only is there not today any actual threat of American Communism, but the fact which could actualize such a threat—the failure to bring prosperity to the bulk of our population—need not continue to exist here, if our upper class is wise. Any present fear of a total or substantial loss of their power is, as yet, subjective and unrealistic.

Nevertheless, that fear, to some extent, already exists. And because it exists and may grow, the threat of Fascism for America is now far more justified than the threat of Communism. For if our economically dominant citizens, actuated by false apprehensions, attempt to break down political democracy, they may temporarily succeed. They have control of far-flung propaganda agencies, and there are large elements of our people whose dislike and dread of Communism can easily be played upon.

Our businessmen have for years imitated certain mistaken policies of Europe's businessmen, and some of the same consequences have ensued here as in Europe. America, however, because of its extraordinarily fortunate position—its integration, natural resources and the character of its population—is in a position, if it uses its brains, to rectify its past errors and to escape those consequences. But, except for integrated Russia, no European country, singlehanded, can undo the mistakes of the past. For so long as European countries remain separate entities their living standards are based on too narrow a foundation of resources. It is that underlying factor that presages doom and breeds the despair which, in turn, fosters the growth of Communism and thus provokes Fascism. That cause of doom is absent in this country. We shall indeed be foolish if we import that despair

and, with it, Fascism. But we must act soon, if we are to avert that folly. If we do not, then a feeling of frustration may make our most powerful industrialists susceptible to the suggestion that Fascism is their only recourse; that idea may take hold of them, as the dancing or laughing manias swept over Europe in the Middle Ages.

One wonders whether most of those Americans who seriously advocate Fascism or Communism for this country are fully alive to what that advocacy may entail. They are, in fact, urging Americans to engage in war. For neither Fascism nor Communism can prevail in this country (even assuming that either could prevail for more than a brief period) without a war—the most savage and repulsive kind of war, a civil war; the most destructive type of civil war, one fought not sectionally but throughout the nation, and inside a highly industrialized country.

To be sure, peacetime has its victims, too. "Peaceful" oppression and deprivation might become so unbearable for so substantial a part of the population that the horrors of a civil war would be the only decent recourse, for there can be conditions of living so vile that even civil war with its horrors is the only sane response. But surely matters have not reached, nor are they approaching, that desperate point in America today. And, unless and until such a state of affairs is inevitable, only the unimaginative or the doctrinaire or dogma-ridden American will lend an ear to plans for civil war or turn his back on the possibility of contriving other modes of meeting our problems.

I have said that America has some of the symptoms which preceded Fascism in Europe, but that careful diagnosis discloses that the significant symptoms of that mental ailment are not present here. It should be the job of the rest of us to see that that psychopathological disturbance does not spread in America. Fascism, as a fear reaction of the economic dynasts in Europe, is explicable, for reasons already noted. But there is no good objective reason for an outbreak of that fear reaction here. We must intellectually quarantine those few of our leading industrialists who, by way of imitation, are beginning to show signs of breaking out with that European ailment. We must persuade their fellows that in America there is no objective basis for its appearance. Such fears in this country are subjectively caused. They are neurotic.

To stop the progress of the sickening cycle that leads to Fascism and civil war, it is necessary that false fears be promptly eradicated. To that end, the powerful minority must take thought. They must understand that potential economic conditions in this country are utterly unlike those in any European country and that, in America, intelligent modifications of our ways of doing business can avert serious depressions and keep our economic machine working in such a way as to give a decent life to our entire population; that therefore the likely course of events in Europe need not be taken as indicating what must happen in America. Such an orientation will blot out any fear entertained by our dominant class that they must either risk the loss of virtually all their powers or turn to Fascism; and such an attitude can dispel the fear of many other Americans that Fascism is on the way.

The folkways most highly cherished by Americans can be preserved without harm to our civilization. We need but slough off some bad habits which

have become associated with our most highly esteemed ways of living. And this we can do. On this continent there will not occur the clash between a system linking the profit economy with democracy and an obsessional devotion to the existence of independent national states. The social changes called for in the United States will not go to the heart of our institutions.

We need to stress the essential differences between conditions here and in Europe; to comprehend that we have a politically and economically integrated continent with such adequate resources that we can be relatively self-sufficient; that Europe, disintegrated, is facing calamity, and that by continuing too intimate economic relations with a non-integrated Europe we can do nothing to help Europe and will merely undermine our own economy; that if we concentrate on our domestic problems it will be possible to make our economy work; that our gravest difficulties are due to past imitation of European behavior--behavior which was perhaps unavoidable in Europe because of the politically atomized condition of the European continent, and yet could but lead to increasing misery in Europe; and that such European behavior, labeled "Capitalism" by the economists, is neither an intelligent nor a necessary way of conducting a profit system, under a political democracy, on an integrated continent such as ours, containing our unique wealth of resources.

I suppose that anyone who embraces such views as mine regarding Communism and Fascism, is liable to be denounced by the extremists either as a "cowardly liberal" or as a "dreamer." But the truth is that many of those who whoop it up for revolution and denounce all who oppose them are themselves cowards and dreamers. They are cowards because they refuse to face the hard task of battling daily and patiently for what is now achievable. They are dreamers, for they envisage the accomplishment of results by means which will not yield those results. The extreme radicals are the best friends of the worst reactionaries, allies indeed of the Bourbons. Their ultimate plans are fantasies; their programs are poetry. Their philosophy is an ivory tower--for it is an escape from present problems into a word picture of unreality. They are impatient children, angry at immediate difficulties, who are playing with dream blocks, building imaginary castles when they should be constructing sound institutions in the United States.

The liberal wants to face and meet present problems. He knows that the task is fatiguing, demanding patient intelligence, cautious experimentation. It takes courage to do that task. To be a glib millennialist or a stubborn reactionary is a lazier, softer job--a job where one is safe, in a crowd of closed minds, either, in the one instance, from the assaults of the unthinking Bourbons, or, in the other, from the angry taunts of the uncompromising radicals.

Incidentally, a better word than "liberal" should be invented, for that label is altogether too vague.

Any liberal position is denounced, by the extreme Right and the extreme Left, as a "compromise." That is another anesthetizing, ambiguous word. All compromises are not evil or foolish. Life is full of compromises. Walking is a compromise between falling down and standing up. A pulley is a most admirable compromise; you pull one way in order to pull something another way. Every machine is full of such compromises; the gas in an

automobile engine must explode in order to make the automobile move forward. Most dealings between human beings in daily life involve innumerable compromises; civilization is built on mutual yieldings and concessions. There are good and bad compromises. Some deserve applause and others condemnation.

And so with the objections to "halfway measures" and "gradualness". Life could not go on without them. Sleep is a halfway measure. When one uses brakes on a steep hill he is practicing gradualness. To avoid gluttony or drunkenness is to be gradual and halfway. The education of children, according to any theory of education, is shot through with gradualness.

We have before us a magnificent opportunity, through wise statesmanship, to make in America a unique civilization--an economic-political democracy, every citizen of which will have a full life. We may destroy, or for years postpone, the realization of the opportunity, if we are too impatient. But if we use creative intelligence and if we attack our problem with American thinking instead of in terms of European-made solutions, we shall find not only that there is a satisfactory solution to our problem, but that our problem can be far more easily solved than the difficulties which are today overwhelming Europe.

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