Out of Step

Frank Chodorov

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OTHER BOOKS BY FRANK CHODOROV

One Is a Crowd
The Income Tax: Root of All Evil
The Rise and Fall of Society

Out of Step

The Autobiography of an Individualist

By FRANK CHODOROV

With Introduction
by E. Victor Milione

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to CELIA

Introduction

IN THE NEXT to the last chapter of this book, Frank Chodorov asks, "what in life is more worthwhile than the pursuit of an ideal?" We may confidently predict that were he to be asked this question he would reply, "nothing."

We could predict his reply because his life has answered the question for us. His whole life has been spent in pursuit of the ideal of individual liberty. And, he has been "Out of Step" because most people of the current age have been pursuing unearned ease, comfort, security and everything else but individual liberty.

I first met Frank when I was a junior in college. His concern then, as now, was with individual liberty and the threat to it, in potential or fact, from too much government. Because of this mutual concern we became close friends and finally associates in the Intercollegiate Society of Individualists—the organization he founded in 1952 to counteract collectivism on the campus.

Although we are both individualists, we are not always in complete agreement. For instance, I do not believe that all governmental ideas should be consigned to the junk heap. Nor do I agree with Frank's dictum, "socialists (individualists) are born not made."

I am not prepared to dismiss the influence of Dewey, Samuelson et al, so lightly. However, in an age such as ours with its excess in the direction of totalitarianism, thank God for an individual such as Frank.

A book reviewer once described Frank as one who has just been around. That he has. He has explored the intellectual vineyards of modern-day collectivism and found its fruits as unpleasant and poisonous as were those of the collectivisms of previous generations. A man of firm principles, individualist incarnate, Frank Chodorov has contributed greatly toward the cause of libertarianism, freedom—and, perhaps, civilization.

E. Victor Milione

Contents

CHAPTER I

The Ethic of the Peddler Class

I WAS BORN on the lower East Side of New York and brought up on the lower West Side. (I bring in these facts as introduction to some ideas that may be of general interest, not as autobiography.) Of my earliest experiences I remember practically nothing. But, one incident does come to mind. My father, an immigrant who, like many others, took to peddling as a means of making a living, brought me a toy of some sort from one of his trips; maybe the fact that this was the only toy I ever had, if memory serves me right, made an indelible impression on me. In those days, and under the circumstances, a toy was a rarity in the life of a youngster.

As a vocation, peddling has long since gone out of style in this country, and the image of the peddler that has remained is not a glamorous one. Yet, the peddler must be given credit for helping to build the great American economy. He began his enterprise by bringing to the hinterland a modest pack on his back, as much as he had capital for, selling the contents and returning to his distributing point as soon as possible. He lived frugally, saved much of the proceeds of his sales, and invested his savings in a larger pack. He continued this process until he had saved enough

to buy a horse and wagon, which enabled him to go more deeply into the sparsely settled areas and distribute more merchandise. After a few of these trips he found a burgeoning community that gave promise of supporting a permanent or resident peddler, that is, a merchant. He built a shack in this town and filled it up with things folks wanted, and made his residence in the back of the store. In due time, he brought a wife to help him with the chores and to share with him his meager quarters. As the town grew so did his store. He built another room to hold more wares, and then an upper storey, meanwhile moving his wife and children to a more commodious house. And when he died he left his heirs a department store.

This is the story of most of the department stores, the merchandise marts, that dot the American landscape today; they began with a pack on some peddler's back. Indeed, it is the story in broad outline of many of the industries that make up the American economy, from steel to automobile; some pioneer, beginning in a small way, exercised industry and thrift and plowed back his savings into his business to serve the needs of the community. He might have, as conditions warranted, borrowed the savings of others to expand his enterprise, but until he had demonstrated his ability to render service, and the need for it, his capital consisted mainly of his own savings. That practice has gone by the boards these days for one reason: the income tax absorbs the savings of the entrepreneur before he can lay his hands on it. The tax-collector gets the accumulations that might have been plowed back into the business, and growth from modest beginnings is therefore impossible. This has the tendency to discourage enterprise, to freeze the proletarian into

his class regardless of his ambition or ability. The imaginative entrepreneur of today must begin on a relatively large scale, by borrowing from the government against a government contract or some enterprise undertaken on a government grant or guarantee. The "little man" must remain little.

Now, the peddler, using the term figuratively, was the backbone of the American economic and social system. He was the middle class man who prided himself on his initiative, self-reliance, independence and, above all, his integrity. He might be shrewd and even grasping, but he never asked for favors and certainly did not expect society to take care of him. In fact, if he thought of society at all, he thought of it as a collection of individuals, like himself, each of whom contributed to it, and that without them society simply did not exist. To keep his standing in the society of which he was an integral part, he paid his debts and taxes regularly, went to church as a matter of course, voted as his conscience dictated, contributed to local charities and took part in civic affairs. To be "good" a society had to consist of "good" men, and therefore the ethos of his community was his own. He was society.

And he was middle class. But, the term, in the context of the early part of the century, carried certain connotations that have been lost. In popular usage the term "middle class" designates those whose incomes provide them with more than the mere necessities, who enjoy some of the luxuries, who have saved up something for future contingencies, and who are neither "rich" nor "poor." That is, we think of the middle class in terms of income. In that context, we might include in the present middle class many who in

former times would have been classified as proletarian; for the income of many who work for wages today is sufficient to provide them with satisfactions that would have been luxuries to the old middle class. The merchant or the banker of that era did not dream of an automobile or of a Florida vacation, nor did he enjoy any of the home conveniences that are now considered necessities by most of those who have nothing to sell but their labor. Thus, in economic terms, the middle class is much larger and much more affluent than it was in the past.

The middle class, of the earlier period, was identified by something besides economic status; one thinks of them as a people motivated by certain values, among which integrity was uppermost. The middle class man was meticulous in fulfilling his contractual obligations, even though these were supported only by his pledged word; there were few papers that changed hands, fewer laws covering contracts, and the only enforcement agency was public opinion. In the circumstances, personal integrity in the middle class community was taken for granted; anyone who did not live up to his obligations was well advertised and lost his credit standing. Bankruptcy carried with it a stigma that no law could obliterate and therefore was seldom resorted to.

The life of the old middle class man was, by present standards, rather prosaic, even humdrum, being enlivened only by plans for expanding his business. If he had dreams, these were concerned with getting ahead by means of serving his community better, of widening the scope of his enterprise. But, his personal life was quite orderly and quite free of eroticisms; rarely was it disturbed by divorce or scandal. His sense of self-reliance imposed on him a code

of conduct that precluded psychopathic adventures and gave him stability. Orderliness in his personal life was necessary to his main purpose, which was to produce more goods or render more services for the market; that burned up all the surplus energy he had at his disposal.

It never occurred to this middle class man that society owed him a living, or that he might apply to the government for help in the solution of his problems. The farmer is a particular class in point; the present day agriculturist, who must be included in our present day middle class in terms of income, holds it quite proper to demand of government, that is, the rest of society, a regularized subsidy, even a subsidy for not producing; the farmer of the early part of the century would hardly have thought of that. The merchant or manufacturer located in the area served by the Tennessee Valley Authority has no hesitation in accepting electricity at rates that are subsidized by the rest of the country, and even demands more of that handout, without any hurt to his self-esteem. The pride of the peddler, the entrepreneur, has left the industrialist who now grovels before legislatures and bureaucrats in search of government contracts, while the independence that characterized the early banker has been replaced by a haughty obsequiousness of the modern financier in his dealings with government. Indeed, it has become a "right" to demand a special privilege from the authorities—as, for instance, the urgency of professional athletic organizations for publicly financed stadia in which to display their wares; and the man who secures such a privilege does not feel humiliated by its acceptance, but rather holds his head as high as did the earlier entrepreneur who made his way on his own steam.

Among the modern middle class men, in terms of income and the station in life they have attained, there are two categories that deserve special attention: the bureaucrats and the managers of the great corporations. In earlier days, the government employee was held to be a man who could not have made his way in the business world and was therefore tolerated with condescension; he had little to do and his remuneration was correspondingly small. Even the few entrepreneurs who entered the public service did so mainly under draft, as a necessary though unwanted duty, to be got out of as soon as possible. Today, the government agent holds his head higher than do those who furnish him his keep—he is the government while they are only the people —and is held in esteem by the very ones he dominates. He is, of course, a non-producer, but in the present ethos that circumstance does not degrade him, either in his own eyes or that of society; indeed, the producer holds an inferior position in life than does the government official. The government official is the law.

The managers, of corporations owned by stockholders, have largely taken the place of the old peddler class. But, while the latter were characterized by self-reliance and a willingness to assume responsibility for their choices, the managerial class, taking them by and large, hide their personalities in committee decisions. To be sure, the corporations must abide by the decision of the market (except where its principal customer is the government), but its operations are bound by rules, conventions and rituals behind which the management can well hide. Risk is something nobody takes, if he can avoid it, and where he must make a decision he is sure to have an excuse or scapegoat in

case he decides wrongly. "Passing the buck" is considered *de riguer* by even the supervisory help.

And, above all, security has become a fetish among all classes of society, from the lowliest wage-earner to the president of the corporation. To be sure, security against the exigencies of life has always been a human aim. But, while in the last century man made provision against disaster, in insurance, in paying off the mortgage on the old homestead, in savings, the tendency during the latter half of the twentieth century is to put the burden of one's security on society. The young man entering the business world is not concerned with the chances of advancement that are open to industry and skill, but rather with the pension system provided by the company; and the candidate for president of the corporation is concerned with his retirement even as he takes on the duties of the presidency. This change of attitude from personal responsibility to collectivised security is probably the result of the income tax; it would be difficult to trace it to any alteration in human nature or any deterioration of character.

It is most difficult to find a cause and effect relationship to explain changes in the ethic of a people, as, for instance, the transmogrification of the freedom-loving (and therefore self-reliant) American of times past into one leaning on society. Undoubtedly, ideas have consequences, and the current urgency to turn to government for assistance in solving life's problems might be traced to the socialistic and populist ideas promulgated during the last part of the nineteenth century. But, ideas must be institutionalized before the mass of people can accept, or even comprehend, them; a religious concept has no meaning until it is ritualized,

given material form in a church and reduced to a catechism. So with political ideas. The socialists and the populists might have ranted on and on *ad infinitum* and without effect, had not the politicians, in their own interests, taken hold of these ideas and institutionalized them. The first of these ideas to attract the attention of the politicians was the income tax; the socialists and populists advocated this as a "soak the rich" measure, purely out of the covetousness which is in all men's hearts, but the politicians took to it because more taxation means more power. And getting and exercising power is the principal business of the politician.

Changing values do not indicate a change in the nature of man. In all likelihood, the American of 1900 was as equally inclined toward getting something-for-nothing as was the American of the 1960's. The land-grabbing schemes and the tariff-mongering of the nineteenth century indicate an inclination to improve oneself at the expense of neighbors, while the "robber barons" were likewise out for all the traffic would bear. The one facet of human nature which, because of its invariability and constancy, we can put down as a natural law is: man always seeks to satisfy his desires with the least effort. It is because of this inner compulsion that man invents labor-saving devices, and it is also because of this inner compulsion that man sometimes turns to exploiting his neighbor, which is a form of robbery. But, robbery is attended with the use of force, which might be met with a contrary and defeating force, and is therefore risky; however, when the government, which has a monopoly of coercion, exercises its power so as to favor one individual or set of individuals to the disadvantage of others, there is nothing to do but to comply with its edicts.

And, because its edicts are regularized by law, mental adjustment to the exploitation takes place, while the recipients of the advantages thus gained learn to look upon their loot as a "right." The urgency for something-for-nothing is endemic to the human being; therefore, when the government exploits one group in favor of another, the cry goes up by other groups, in the name of "justice," for some of the same. Thus, a new ethic, a new complex of beliefs and conventions, takes hold of the people; all of them expect society, through the agency of government, to take care of them.

The ethic of the nineteenth century (sometimes called the Protestant ethic) held that man was endowed with free will and therefore was a responsible being, responsible for himself, responsible to his fellow man and to his God. The origins can be traced to the industrial revolution, with its emphasis on individual initiative; or perhaps to the introduction of the capitalistic system, with its emphasis on contract rather than on status, which prevailed during the feudalistic eras. The emergence of the idea that "a man was a man for a' that," that freedom from restraint was his due, not only gave him a sense of individual dignity but also put upon him the necessity of making choices and of suffering the consequences. This called for industry, thrift and self-reliance. Society could do nothing for the individual which he could not better do for himself; in fact, society could do nothing for the individual.

This ethic held, in this country, because it was institutionalized. There was the institution of the Declaration of Independence, and the institution of the Constitution, with its inhibitions on the power of the government. A particu-

larly inhibitory influence was the limitation on its taxing powers; the government could do little in the way of interfering with private affairs because it did not have the wherewithal necessary to effect interference. What it could get by way of excise taxes and tariff duties was just about enough to make it a going concern; its power of exploitation, inherent in all governments, was sharply delimited. Washington was a village on the Potomac where some legislators met for a few months in the year, to pass a few laws which little affected the welfare of the people, except when the laws had something to do with war. Debates in Congress were interesting to read about or to talk about, but the issues involved did not concern the making of a living or the manner in which one got by in this world. Newspapers sent reporters, not correspondents, to Washington.

The ethic was further institutionalized in the manners and habits of the people, in the books that were written and the plays that were produced. For instance, the moral concepts of Hawthorne's stories, the peccadilloes of Mark Twain's characters, the simple tragedies in the lives of Louisa Alcott's *Little Women* all emphasized the worth of the individual, while the popular plays dealt with individual heroics, rather than social trends. The school books, too, stressed the virtues of independence and personal responsibility. Charity was a personal matter, both for the donor and the donee; somebody gave to somebody, as a duty and not by way of law. Young folks took care of their parents, with love, not as they do now through the medium of taxation.

This Protestant ethic has been largely supplanted now by

what has been called the Freudian ethic*, which is based on a peculiar notion of the nature of man. Sigmund Freud came up during the latter part of the nineteenth century with the queer notion that man is indeed a complex of emotional impulses, the principal one being sex. He comes into this world without the biological equipment with which to meet its demands. What kind of world would best suit the needs of the babe Freud does not say, although it seems it should be one most like the warmth and comfort of the womb. At any rate, his entry into the world is accompanied by a traumatic experience, the first in a series that complicate for man his way through life. Society is to blame for all these neuroticisms. The best the individual can do to make his way through this vale of gloom is to make adjustment as best he can to the demands of society, until death at long last releases him from the uncongenial climate of existence.

There is no empirical knowledge to support this concept, nor are there any demonstrable facts underlying any of Freud's fanciful psychological ideas. Nevertheless, his notion that society is at fault whenever the individual cannot or will not meet its demands appealed to the socialists and other do-gooders—it gave them something "scientific" on which to base their urgency—and they promoted it as incontrovertible truth. Psychologists, educators, jurists, criminologists, social workers and, of course, politicians, took to Freudianism as a fish does to water, so that, during the second half of this century, it is generally taken for granted that the ills of the individual are all socially-made, and that there is nothing to do but to change society. The old

* This whole subject has been discussed at length in a recommended book, *The Freudian Ethic,* by Richard LaPiere (Duell, Sloan and Pearce).

idea that man is a free willing, responsible and self-reliant individual was swept aside by the new ethic, and in its place we have a neurotic who must be ever coddled, provided for, adjusted and generally managed.

Whether or not Freudianism is the cause of this change in attitude, it is difficult to say. Other ideational vogues have had their sway without getting beyond the realm of fanaticism, and have died away; as, for instance, the bimetalism of William Jennings Bryan, or the end-of-the-world enthusiasms of earlier times. To get hold of the people an idea must be institutionalized, must be fixed in custom or validated by law; then only does it become part of that complex of beliefs which motivates men. Now, associated with the rising vogue of Freudianism was the rise of Statism; the politicians, who knew nothing about Freud, but who are very astute in evaluating any vote-getting device, instituted the Welfare State, and this fitted in very nicely with the Freudian notion. The Welfare State does indeed relieve the individual of self-responsibility, and does indeed undertake to remodel society; therefore, the Welfare State seemed to validate all that Freud claimed as to the nature of man.

And so it has come to pass, during the second half of the twentieth century, that the ethic of the peddler class has been replaced by the ethic of mendicancy. I am inclined to the thought that the change indicates a deterioration of the American character; but, then, I am loyal to my youth, as is every older man, and may be prejudiced. It may well be that social security is an advance over self-reliance, that the individual prospers better under the ministrations of the bureaucrat, that juvenile delinquency is a social rather

than individual malady, that individual proficiency is a social curse, that freedom is indeed the right to feed at the public trough. The young people, those who were born or got their rearing during the New Deal era, do not question that concept of freedom, and the professors of economics, psychology, jurisprudence, sociology and anthropology write learned books in support of it. Therefore, it must be so. Any attempt to revive the old concept of freedom—that it is merely the absence of restraint—would be a fatuous undertaking; it would be like trying to "turn back the clock."

Yet, one cannot help speculating on the future. When the present generation, well inured to the Welfare State, shall have grown old, will it not also write books on the "good old days," even as this book speaks lovingly of the ethic of the peddler class? And what new ethic—every generation has its own—will these books decry? Maybe it will be the ethic of the totalitarian state. Who knows?

CHAPTER II

The New Psychology

MY FATHER did not build me a department store. He gave up peddling and opened a grocery store in a section of the city that was once residential but was at that time far gone into manufacturing. My mother operated a lunch room in the rear of the store. As far back as I can remember I had chores to do in connection with the establishment, even pitching in during my lunch hour. There was nothing "permissive" about my upbringing; I was expected to help out and did what I could as a matter of course. Sometimes I managed to shirk my duties in favor of a game of baseball or one o' cat, and sometimes these excursions cost me a good whipping. But, I knew the penalty for such deviationism, took it with good grace, and hoped the next time I would avoid it. There always was a next time.

I must apologize to the reader for bringing in such details of my rearing, which cannot concern anybody but myself, but it is necessary that I do so in order to point up some ideas that may be of general interest. For instance, modern psychology puts the blame for that deficiency of character known as juvenile delinquency on the rearing of children in slums; if that were so, I should have turned out to be a delinquent of proportions. For my early years,

until I got through high school, were spent in what might be considered in some respects worse than a slum. The store was located in a factory building and the family lived above the store, in a loft that had been made habitable by my older brothers; they partitioned the loft into rooms, which they papered and painted, and though my mother managed to keep the place clean, it still bore the marks of a factory loft; the hum of machinery in the upper lofts could be heard in our home during the daytime.

As a condition for the low rent we paid for these accommodations, my father agreed to perform certain janitorial services, and I, being a husky lad, was expected to carry out these terms of the lease. When I think now of some of the menial chores I had to perform my stomach turns. But, in those days a lad was expected to help out in any way he could to meet the family budget and I did my bit regularly though reluctantly. So that, between my homework (we had plenty of that in those pre-progressive days), my chores in the store and my janitorial duties, I was a very busy young man; it was a wonder I had a chance to sneak off once in a while to play ball, or marbles, or prisoner's base.

As I recall, most of the boys on the block had things to do that interfered with their penchant for play. One got up early to sell newspapers, another helped out in the afternoons at a junk shop, a couple delivered messages for Western Union, and all of them had home duties to perform. There were, of course, no home relief checks, no unemployment relief, no handouts of any kind; and there was little money around. As soon as a youngster was physically up to it, he was expected to help out in some way. This was a mat-

ter of necessity, not of therapy; but the necessity did help to shape character. We did not have time to get into much mischief, least of all to get mixed up with the law. The nearest we came to illegal practice was to rifle old houses of metal to sell to the junkman; that was the only way we could get hold of a nickel for a baseball or a quarter for a bat.

The gang consisted of a composite of "minorities," although we did not know it and there was nobody around to tell us what a minority was. Practically all of the children were first generation Americans, the offspring of French, Italian, Irish and a few Jewish immigrants. The language spoken in the home was different from that spoken in the street. But, there were no minority "problems" to bother us, and none of the neuroticisms that modern psychology ascribes to such problems. We were just too busy to indulge in self pity, too preoccupied with getting along to think of ourselves as misunderstood minorities. Yes, we called the Italians "wops," the Irish "micks," the French "frogs" and the Jews "sheeneys." But the terms were more descriptive than derogatory. We got along.

I recall some gang fights. When a group from another ward invaded our own, there was a challenge and then fists would fly. Occasionally we would apply sticks or throw stones, but I never knew of knives or shotguns being used. Most of the fighters were younger children, under fourteen, since those who had attained that age were engaged in gainful occupations. The modern delinquent, or at least the leader of delinquents, is found among those who are compelled, by the law, to attend school after the age of fourteen; he has no interest in learning, finds it boring, and con-

sequently gets into mischief. The authorities cannot throw him out and are unable to discipline him. He becomes a disruptive influence in the class. He hates the teacher, he hates the school, he hates society that tries to impose an education upon him; and, being mature enough to figure things out for himself, he devises ways and means of giving vent to this hatred; he turns to violence. Moreover, if his family is on relief, he has learned from conversations in the home that society owes him a living, that there are ways of tricking the authorities into giving relief where none is due, according to the law, and takes it for granted that stealing is proper so long as one can get away with it. In my youth, the only one who did any stealing was a thief, not a delinquent.

Psychology is far from being a science, and probably never will attain that status. That is because it is impossible to study the operations of the human mind under laboratory conditions, or to derive from such empirical knowledge any laws by which to prognosticate future reactions to given stimuli. Under the circumstances, the best the psychologist can do is to make educated guesses about the cause of behavior, and as likely as not such guesses may be far from the mark. Since Pavlov's dogs, psychologists have sought to ascribe all human behavior to environmental influences, maintaining that if one can control or shape the environment of the child one can predict his behavior. In brief, environmentalism holds that the human being comes into this world a bit of protoplasm that can be molded by the influences brought to bear upon him. It negates the idea that the child may bring into the world a personality all its own, endowed with instincts and proclivities that can be

developed by environmental influences but not originating in them. It is materialistic with a vengeance.

According to environmentalism, all of my gang should have become juvenile delinquents; our home lives, according to the psychologists, had all the necessary ingredients. Yet, I do not remember any of us getting involved in the law, except occasionally the truancy law. I remember once being nabbed by a policeman for inadvertently breaking a window with a baseball; he gave me a good fanning to begin with, then brought me home; my father, after agreeing to pay for the damages done, added a few whacks of his own to those administered by the law. And that was that. Today, thanks to modern psychology, the policeman dare not touch a young rascal who has deliberately committed some crime against society, in fear of being himself brought in on charges of brutality to children; indeed, he may be lectured on the law by the law breaker: "You can't do nothin' to me, I'm a juvenile." And the judge before whom the young criminal is brought, being versed in modern psychology, will in all likelihood discharge his duty by lecturing the parents on the art of bringing up children; psychologically, of course.

We did not become delinquents because we were much too busy for such shenanigans, and when we did let the spirit of mischief get hold of us, punishment was immediate and certain. We feared our parents, we feared our teacher, we feared the cop on the corner; and so we kept in line with the moral code. We were treated as responsible beings, not as irresponsible products of our environment. And we responded accordingly.

Of course, there was plenty of crime in those days, though

not as much as today, simply because there were not as many laws to violate. But crimes committed by those under twenty-one were practically unknown, while today these young malefactors constitute the main problem of law enforcement agencies. While it would be difficult to establish a cause and effect relationship between juvenile crime and institutionalized psychiatry, the coincidence is remarkable; the more the notions of psychiatrists are activated by law, the greater the incidence of juvenile delinquency.

First, there is the notion that slums make for delinquency; the environmental theory. It is true that politicians took to public housing for the purpose of garnering votes, but it is also true that they latched onto the psychological argument to support their urgency for subsidized housing: take the people out of the slums, put them into nice quarters and they will live up to the dignity of their new surroundings. But, it has not worked out that way. The folks who get their rent cheap, at the expense of other taxpayers, acquire the notion that society is obligated to take care of them—good Freudianism—and that these rooms are a down payment on that obligation. They have little or no investment in their quarters, have no interest in them, and defacement of the premises and misuse of the facilities follow from this lack of interest; the publicly-owned houses become worse slums than the privately-owned ones they replaced. In part, this is accomplished by the youth who infest these edifices. The formation of gangs of young bloods living in such close proximity is easy, while the common basement does well as gang headquarters. Maybe some of the boys and girls living in these houses would prefer to stay out of the gang, but it is difficult to practice isolation-

ism in such close quarters; and the leaders are quite persuasive. Mischief follows.

Then there are the institutions of home relief and unemployment handouts. Here again it is difficult to say whether politics or psychiatry is the prime mover, but that Freudianism fits in well with political motivation is quite clear. Society—that indefinite something that is more than the sum of its parts, and has an existence quite apart from that of the individuals who compose it—owes us all a living. The social workers, most of whom have "majored" in psychology, go about their business of handing out taxpayers' money with the firm conviction that they are helping to build a better society, meanwhile acquiring a vested interest in the dispensing of largess. The effect on the recipients, quite different from that expected by the psychiatric energumens, is to encourage malingering. They devise ways and means of getting more than the law allows, including that of borrowing children from one another when the social worker arrives for a checkup of the family size. Or, in the case of unemployment "insurance," of finding excuses for not taking jobs offered until the period of "insurance" has expired. These lessons in chiseling are not lost on the young ones, and they too acquire the habit of looking to society for their keep. They get money without doing anything to earn it and see no point in trying to earn it. From getting money through relief to getting money from anybody who might have it is an easy transition in thought. Thus the groundwork for thuggery, holdups and even burglary is laid in "social" legislation.

Psychology of the Freudian variety has infested our courts of law, even to the encouragement of juvenile delinquency. Perhaps teenage criminals should be handled

differently from more mature criminals, but not from the viewpoint that society is to blame for their criminal acts, which seems to be the viewpoint of our judges today. If they are old enough to go in for mayhem and murder, robbery and rape, they are old enough to stand the consequences of their acts. Besides, it is the duty of government to protect society, including the decent children, from hoodlums of any age, not to protect these hoodlums at the risk of society. It may be that places of rehabilitation are preferable to prisons for the incarceration of such young criminals, but in any case their removal from society is called for. But our courts and our whole governmental machinery are geared to the notion that teenagers are wards of society and must be coddled. The result of such leniency is to encourage juvenile delinquency.

It is a matter of record that some delinquents come from economically comfortable homes. This phenomenon calls for some other environmental explanation, such as parental friction or "broken homes." To which the statistics answer with some embarrassing facts; namely, that some very decent children come out of "broken homes," while rascals are known to emerge from quite normal homes. The psychiatrists, somewhat baffled by these facts, thereupon come up with the statement that juvenile delinquency is not a social problem at all; children have always been playful and mischievous, and that if we only have patience with their pranks (including murder) they will turn out all right.

The fact is that materialistic or environmental psychiatry is of a piece with the dialectical materialism currently in vogue. When Karl Marx declared that all history is shaped by economic forces, he not only opened the road for in-

tellectual support of all the "social" legislation that has come upon us, but also to psychological notions that correspond with it. For, if man has nothing to do with making history, he also has nothing to do with making his environment; the economic forces that shape the one also shape the other. This mystique of economic forces turns the individual into an inconsequential accident of time. It robs him of his personality and denies him his soul. He is, in short, nothing but the product of these forces, which work mechanistically and ineluctably.

However, and here is the contradiction in the reasoning of those who accept the theory of economic determinism, it is possible for some men to manage the economics of other men so as to bring about their improvement. Some men, therefore, are endowed with the power and the gift for altering the environment of the mass of men who, by definition, are utterly unable to manage their own environment. And so, we come upon the theory of the welfare state, that it is possible for a well-trained bureaucracy to so distribute the wealth of a nation as to bring about a betterment in the lives of the masses, and thus improve the general psychology. Economics is still the determining factor in all behavioristic patterns, but the patterns can be processed by economic management. To put it succinctly, if a man is provided with the comforts of life his psyche will react accordingly.

In a way, the economic determinists are right. If a man is provided with all the comforts of life, with little or no effort on his part, his psyche will demand more of these comforts—free gratis, and he will lose that independence of spirit that comes only through the exercise of will in overcoming ob-

stacles to the satisfaction of his desires. He is likely to become like an animal waiting for the food that is thrown to him, unable to forage for himself. He is likely to become a malingerer.

As for those who are compelled to pay for the subsidies, they too undergo a psychological change. So long as there are loopholes in the income tax laws, they will continue exercising their ingenuity and their energies in the production of more goods, in the hope that their standard of living can be maintained in spite of the tax-take; the loopholes must be large enough to enable them to keep much of their earnings out of the hands of the tax collector. Of course, there is the inclination to find loopholes where they do not exist, or to rip them out of the fabric of the law, legally or illegally. The income tax laws have had this effect on the psychology of the taxpayers: it has made them dishonest. But, if these loopholes are plugged up, and the tax collector insists on gathering every cent of what is due him under the law, the tendency will be to give up on the struggle to keep up productive effort. Already signs of this what's-the-use psychology have been manifested.

Thirdly, the psychological effect on those who undertake the job of managing the economy must be mentioned. These bureaucrats, having power, naturally acquire a holier-than-thou attitude toward both the recipients of largess and the payers. They are the government; the rest are "people." Thus, thanks to institutionalized psychology, the social structure is gradually being divided into two new classes, the bureaucracy and "the people," the one anointed with political power, the other being ground into submission "for their own good."

There were psychologists when I was a boy, and for hundreds of years before that. People have always concerned themselves with the workings of men's minds. But, in former years the psychologists—such as Shakespeare, Balzac and Tolstoy—took it for granted that men were born with certain proclivities and nothing could be done about changing them; put into given situations these proclivities or inclinations would show up and lead the characters to an inevitable conclusion. There was a bit of fatalism in that kind of psychology, which followed from the basic premise, namely, that men were born with unfathomable souls which showed up in the environment they made for themselves. That is to say, men were endowed with free will, with the power of making choices, and were accountable for the choices they made. That line of thought, however, has gone out of style, and whether the new psychological mode is more commendable only time will tell.

CHAPTER III

The Fiftieth Anniversary

"I WONDER what happened to those who did not graduate."

The remark was made at the fiftieth reunion of my high school graduating class, after someone had come up with the statistic that only one hundred and twenty out of an original entering class of nearly four hundred had made the grade.

"I wonder," said another, "what happened to the boys who got out of grammar school and never entered high."

This started a round of reminiscing. "One fellow I remember well," said an eminent and retired doctor. "He never got through grammar school and was kicked out when he reached the age of fourteen. He went to work as a tail-boy on a truck. I met him again about nine years later, when I hung out my shingle. He came in to see me for some minor ailment. After I treated him he pulled out a roll of bills and nonchalantly dropped a two-dollar bill, which, by the way, was the only fee I received that day. He told me he had a fleet of trucks and was doing fine."

"That reminds me of a pal I had in the first year of high school," said another. "He dropped out and went to work as a messenger in a bank. When I got out of college

eight years later I went to work at the same bank, at the bottom, of course. This fellow, having had eight years of experience behind him, was designated to teach me the ropes. I envied him. To be sure, I made up the gap in a couple of years and eventually got ahead of him, but I remember thinking at the time that I had wasted eight years getting an education."

And so it went. One told of a boy who went into construction work, after dropping out of school, became a union leader and a politician of note. Another drop-out worked his way up the contracting ladder, another became a junkman of affluence. Not all of them, of course, achieved prominence or built up a competence, but in that respect they were no different from those who graduated from high school or even college.

"We were," said an old graduate, "a self-selective group. Out of the many thousands who got through grammar school less than four hundred entered high school. Why? Well, maybe our parents urged us, maybe we had an inner compulsion for an education. At any rate, after we got into high school we had to make the grade or get out. There was no watering down of the courses for those who had no stomach for learning."

"The point is," chimed in another, "those who dropped out were not downgraded, socially or industrially, for their inability to master Latin or English composition. It was generally accepted as a fact that some were educable and others were not. I went to high school and to college, but a brother of mine, to my father's disappointment, decided against an education and went to work in a jewelry store. When he

died, a few years ago, he left an estate worth nearly a million."

"That's right," resumed the philosopher. "The fact that a boy was not a book-learner was not held against him. He might be intelligent enough for business, but his mind was not attuned to abstractions. And, as many of us know, he got a head start in business which put many of us at a competitive disadvantage when we entered the arena some four or eight years later. Maybe our education helped us win out in the long run, maybe it did not. At any rate, we were the educable and the others were not, and that's all there was to it."

They were talking of a value that obtained a half century ago, before democracy took over the educational system. Even this high school, which was the first to be set up in the City of New York, later to become the Borough of Manhattan, was something of a concession to the democratic spirit. Before its advent, those who felt the need of an education enrolled in the College of the City of New York, which gave what was held to be a "tough" five year course leading to a bachelor's degree. This high school was intended to extend the opportunity of an education to a wider audience. And, to appeal to a wider audience, its curriculum contained a course in bookkeeping, as an elective over Latin or Greek.

But, aside from that concession to the democratic spirit which was creeping into the field of education long before Professor John Dewey gave the democratic spirit a philosophy, the high school hung on to standards. One had to meet those standards or get out. In mathematics, a subject that gave me much trouble, we began with algebra and

ended up with trigonometry. In English, four years of it, we started with a discussion of the Sir Roger de Coverly Papers, went from there into the novels of George Eliot, and ended up with Macbeth and Burke's Speech on Conciliation with America; all the while we were drilled in rhetoric and composition. We had plenty of homework, plenty of writing to do, and almost weekly competitive tests in every subject. One had to have an inclination for learning to get by. And the diploma handed the boy when he got through—meaning he had passed his examinations—signified that he had mastered his subjects with some degree of proficiency. He had made the grade, as an individual and entirely on his own.

An instance of how standards have come down was inadvertently provided by the current principal of the high school, at this same reunion. To have some fun with these oldsters, he brought in and distributed among us the examination papers in English that had recently been submitted to the graduating class. Could we answer the questions? Of course we could not; for the questions dealt with modern books, which few of us had read. The principal had hardly enjoyed his laugh at our expense when someone fired this question at him: Can your graduating class give an outline of Burke's Speech on Conciliation? Another asked whether the boys could write on the meaning of the knocking-on-the-gate scene in Macbeth? These had been questions put to us in our College Entrance Board examinations. A third fellow remarked that the question papers were mere guessing games, since they called for true-or-false checks for answers, and one who had not read the books could probably check half the questions correctly. "When we took our ex-

ams fifty years ago, every question called for an answer that entailed the writing of at least a sentence, and most of them needed a full page." The principal sheepishly admitted that our schooling in English had been far more intensive than the present students receive.

Even in those days, every mother was certain that her son was destined to become a lawyer or a doctor, and every father was intent on preparing him for a "better chance" in life than he had had. However, it was conceded that the school authorities would decide whether he was capable of absorbing the disciplines, and their verdict was final. And if the decision was against his educability, he went out into the world to try his luck there. Nor was there any stigma attached to him because of his ineducability; after all, Carnegie had had no schooling, and several Presidents, to say nothing of Congressmen, had made the grade without benefit of formal education. Common sense supported the Jeffersonian formula of selecting for higher learning those who gave evidence of a capacity for it; the rest were, as he put it, "rubbish."

But, that was long before democracy got the upper hand and did away with this concept of the educable elite. This was inevitable. With education a governmental enterprise, and with every parent a voter, the voice of the people had to be heard. And that voice insisted on the educability of their offspring, no matter what the school authorities thought about it, and demanded of the democratically-elected politicians that they provide the facilities. So, high schools proliferated and colleges followed suit, until, at long last, it has become necessary for a boy or girl to sport a degree in order to make his or her way at jobs where education would be

a handicap. Not only that, but attendance at school has been made compulsory until the sixteenth, and in some states until the eighteenth, birthday, regardless of any interest in learning, and the current trend is to subsidize the "rubbish" through college. Everybody has to be educated.

This democratic ideal is commendable and one wishes it could be realized. But, nature enters an interposition: some children simply do not have the capacity to absorb the "best that has been thought and said in this world," and no matter how long they are exposed to this cultural stuff it does not rub off on them. They may be quick-witted, far more so than are the educable, and capable of mastering the practical affairs of life, but find the disciplines incomprehensible and boring. In their early years, when the faculties of memory and imitation are most pronounced, they can, by constant reiteration, learn the fundamentals—figuring, reading and expressing simple ideas in words. But, when it comes to analysis and synthesis, to the intellectual pursuits, they find the going hard and resent any attempt to compel them to engage in them. Nature simply has not given them the equipment.

However, the democratic spirit recognizes no natural law of differentiation in individual capacities. It rests its case on the assumption that all men are born equal and proceeds to prove it by the device of re-defining education. In the early part of the century some remnants of the classical tradition remained, in which education was held to be a process of mental training, the object being to develop the mind of the student to the full extent of its capacities; it was an individual experience, unrelated to any group, and intended to bring the best to the top. There was, to be sure, some la-

tent hope that the educated would be able to make their way in the world of affairs, especially if they entered the professions, but the disciplines were not designed with any such utilitarian motive in mind; the high school courses, to say nothing of college curricula, were geared to the educable. But this was inconsistent with democratic egalitarianism. So, the educators, influenced by the rising voice of the demos, altered the definition of education: it became a process of utilitarian training, purely functional in character, and designed to bring about intellectual uniformity. If Latin were too difficult for some to encompass, give them a course in automobile driving in its stead; if mathematics proved tedious, substitute a course in home economics; after all, a mastery of Latin will not prove useful in their later life, and how many will ever make use of trigonometry? Above all, every student must be taught the art of getting along with his fellow students, so that all would have a full measture of the democratic spirit; individual excellence must be discouraged. Furthermore it makes no difference what is learned, so long as the student makes his daily appearance in class, week in and week out, year in and year out, until the compulsory limit is arrived at—and a diploma is accorded him. Then all will be educated, and equally.

Whether or not the ideas of Dr. Dewey were instrumental in bringing about this change of values in education is difficult to say; in all likelihood, the real cause was the democratic spirit which had got hold of the country during the latter part of the nineteenth century, and Dr. Dewey just came along at the propitious moment to give the egalitarian urge the respectability of a philosophy; if it hadn't been he, somebody else would have propounded the same or

similar ideas. It was time for a change. The idea of compulsory education for all youngsters in the rudiments of learning was rooted in Thomas Jefferson's formula, but it was not until the post-Civil War period that it blossomed in the sunshine of populism and in the rain of socialism. Even then, compulsory education was limited to imparting what every normal child is capable of mastering—the three R's. The general idea was to equip every potential citizen with the tools necessary for the discharge of his duties as a citizen, with which intellectualism has nothing to do. But then the notion of the infinite perfectibility of man through education kept gnawing at the heart of democracy, and this, fermented by the idea that all men are of equal capacities, gave rise to a demand for wider educational opportunities. If everybody were equally educated, so ran the litany, everybody would be able to reach the heights, economically, socially and, perhaps, culturally. And so came the Land Grant colleges, to feed which with fodder came an increase in the number of high schools, and junior high schools and junior colleges for those not able to meet the transition from lower to higher learning, and ultimately, an increase in the age of compulsory elementary training; in this last the democrats were aided by the unionists, who were anxious to keep the labor market free of apprentices as long as possible.

This urgency for more educational facilities for more people manifested itself long before Dr. Dewey appeared on the scene. It was inherent in the assumptions of democracy. And yet, traditions die hard; up until the advent of Dr. Dewey education in the United States, though under constant fire from the democrats, maintained its standards; this was largely due to the fact that the teachers, trained in

the tradition, could not easily give it up. After all, education is a process of transmitting values, and the values acquired by the instructors during their youth will be the ones they transmit to their students. Even though the instructors, being by nature idealists, were succumbing to the alluring phrases of democracy, they nevertheless in their functional capacity held on to the aristocratic values in which they had been inculcated. The high school I attended had a faculty of that sort, and its regimen was severe.

Then came Dr. Dewey with his new values in education. Its primary purpose, he held, was not to develop the intellectual capacities of the individual, but rather to prepare him to take his proper place in his social environment; the curriculum must be designed to fit that end. The student should not be required to meet any given standards, but the standards should be accommodated to the student. In fact, he maintained, since there is no absolute truth, standards are meaningless, and education should concentrate on the instrumental facts of life, on the functional disciplines.

This the democrats in education were quite prepared to accept. His formula enabled them to hurdle the barrier to their urgency, the natural differences in individual capacities; it gave them the open sesame to the cave of egalitarianism. Everybody could be taught basket weaving, typing and the social graces, and if such functional subjects were introduced into the curriculum, to the exclusion of rhetoric and algebra, then everybody would be equally educated. If the purpose of education is social adjustment, then individual excellence must be minimized or discouraged, and the ideal of democracy—the egalitarian society—will be

achieved. Thus education, under the impact of Deweyism, took on a new value. This came about after I had left high school, indeed after I had graduated from college, but as I look back now I see how the germ of this new value took root in the democratic spirit which pervaded the country before I was born. Given this spirit, the change was inevitable, and Dr. Dewey's notions gave it the fillip it needed.

The more democracy the more governmental intervention. That is because the mob cannot tolerate excellence and, having political power in their hands, will use it to reduce the educable to their own level. The new value in education must be traced to the introduction of tax-supported, compulsory education during the nineteenth century; that was the beginning. To be sure, for a long time private schools, especially colleges, held on to the traditional disciplines and standards, catering to the educable elite, and by example influenced the character of public schooling. But the mob, being in the majority, and having the power of government in its hands, could not be forever gainsaid. It whittled away resistance to its demands until at long last education took on a new character; it no longer sought out the best minds for development but became a means of effecting egalitariansim.

With the democratic spirit in the ascendancy, the end result of this change in educational values can be predicted: the State will provide education for all, even through college, and will as a consequence dictate what will be taught and how. The taxing body will prescribe the courses and the courses will be designed to meet the requirements of the taxing body. Everybody will be educated, though not quite equally, since that is incompatible with the nature of

things. But, attendance at high school, at any rate, will be compulsory and everybody will get a diploma, signifying satisfactory attendance; but some high schools will prepare its students for farming and industrial occupations, others for scientific pursuits, others for service in the government, and so on. This distribution of students will be made by governmental experts in education, according to psychological tests of one kind or another. So, too, with what will euphemistically be called "higher education." It will be well regimented. To be sure, some will get an education in spite of this democratic system; that is because they are by nature the intellectually curious; but they will be the minuscule minority of non-conformists, impelled by some inner urge to pursue their own ways in silence and obscurity.

It is characteristic of old age to hold on to the values of its youth, to laud the "good old days " to the disparagement of the present or the future. So, to me, the new value in education seems to be a deterioration. But, change is inevitable, and who can say with finality that the old was better than the new? I am inclined toward the idea of selectivity (which was more in vogue during the nineteenth century than it was when I was educated), but perhaps the new concept of mass education has virtues all its own. At any rate, the alchemy of adjustment is always at work, and as the present generation accommodates itself to the idea of egalitarianism in education, so will the coming generation make its peace with education by the State. And the present generation, when it grows old, will find fault with the new and will look back on the "good old days" with nostalgia. Everything goes "forward"—particularly in a democracy.

CHAPTER IV

On Underwriting an Evil

I VOTED for Teddy Roosevelt in 1912. I haven't voted in a presidential election since.

At first it was sheer instinct that dissuaded me from casting my ballot. I listened to the performance promises of the various candidates and the more I listened the more confused I became. They seemed to me to be so contradictory, so vague, so devoid of principle, that I could not bring myself in favor of one or the other. Particularly was I impressed by the candidates' evaluations of one another. Neither one had a good word to say of his opponent, and each was of the opinion that the other fellow was not the kind of man to whom the affairs of state could be safely entrusted. Now, I reasoned, these fellows were politicians, and as such should be better acquainted with their respective qualifications for office than I could be; it was their business to know such things. Therefore, I had to believe candidate A when he said that candidate B was untrustworthy, as I had to believe candidate B when he said the same of candidate A. In the circumstances, how could I vote for either? Judging by their respective evaluations of each other's qualifications I was bound to make the wrong decision whichever way I voted.

I put off voting from one election to another, perhaps hoping that sometime a compelling choice would be offered me. I was, I believe, looking for a candidate who would stand for a philosophy of government, something that would be above the ephemeral. In time it dawned on me that I was being romantic, that with principles—that is, moral or philosophic concepts—politics simply has nothing to do, except as convenient slogans in the promotion of its business, which is the acquisition of power. I soon realized that the art of politics consisted in the balancing of various group interests, one against the other, so as either to attain or retain rulership over all. It was a juggling act.

This is no reflection on the intellectual integrity of the politician. His business does not call for any such quality and his supporters would be outraged if he presumed to bring it into bearing. Assuming that a candidate were a convinced free trader, or believed that veterans do not benefit from handouts, or—to go to an extreme—that the nation's bonded indebtedness is a burden on the economy, it would be political suicide for him to voice such an opinion. A candidate in the North who espoused "white supremacy" would have as little chance as a candidate in the South who did not. Were a considerable segment of the population, sufficiently large to offset the opposition, in favor of putting disabilities on Jews, Catholics or Masons, you would find candidates advocating legislation of that kind even though their private judgment were against it. The politician's opinion is the opinion of his following, and their opinion is shaped by what they believe to be in their own interest.

It was always thus. Even when kings ruled by "divine

right," the throne was held in place by the proper juxtaposition of rival and envious nobles. When the ambition of a particular noble got out of hand and an army was needed to make him respect divinity, the money-lenders supplied the war funds and received their compensation, usually a grant of land and the privilege of collecting rent from the users. In the eighteenth century the rising class of manufacturers and merchants came to the support of the king in his quarrels with his nobles, in exchange for tariffs, cartel privileges and the "rights" to foreign exploitation.

Constitutionalism and the extension of the suffrage did not alter the character of politics. These institutions merely increased the number of claimants for special privileges and complicated the art of balancing interests. In the early years of our country the politician's problem was quite simple: the pressure groups consisted of tariff-seekers, land-grabbers, money-brokers, franchise-hunters and a few others, and the balancing of interests was fixed by the size of campaign contributions. In due time, thanks to professional organizers, others got into the act, and the politician now has to consider the privilege claims of vote-laden and skillfully led proletarians, farmers, teachers, veterans—a host of articulate "minority" groups—as well as the traditional claimants. The juggling has become more intricate.

That this result was inevitable becomes evident when we consider the nature of the ballot. It is nothing but a fragment of sovereignty. It represents a small piece of the power which, in an absolutism, is vested in a single person or an oligarchy. And, just as the substance of political power consists of castles and food and pleasures for the autocrat, so does the holder of this fragment of diffused sovereignty spell

"good times." In short, the right of suffrage carries with it the expectation of economic welfare, and that expectation is still the motive behind the "x" set down along the candidate's name. We vote, in the main, by our belly-interest.

The individual voter learned in time that the minuscule piece of sovereignty he held brought him no profit unless it was augmented by many other pieces, so that the total would be a bargaining power of proportions. Thus came the modern pressure group. It is the business of the leaders of such groups to convince the aspirant for office that their following cannot be ignored with impunity. It is the business of the candidate to weigh the relative voting strength of the various groups and, finding it impossible to please all, to try to buy the strongest with promises. It is a deal. Any moral evaluation of the deal is silly, unless we condemn politics as a whole, for there is no way for the politician to attain power unless he engages in such deals. In a democracy sovereignty lies in the hands of the voters, and it is they who propose the trading.

The vast majority of the voters are outside these pressure groups; there are too many of them, too diversified in their interests to permit of organization. I am one of them. I might vote for one or the other candidate if I belonged to some such pressure group and accepted his promise of improvement of my lot at face value. For instance, if I were a farmer in line for a government handout, I would certainly cast my ballot for the candidate who, in my opinion, could be relied upon to come through when elected. Or, if I were a member of a union, I would most assuredly trade my vote for some advantage which the gentleman in question promised to deliver to my organization; provided,

of course, that I believed him. But, I belong to no pressure group and am instinctively averse to accepting any advantage over my fellow man. What is more, I am not looking for a job in the bureaucracy, nor is my brother-in-law in line for such a job; nor am I anxious for a government contract and I do not own any land that might be suitable for a post office. That is to say, I cannot profit, directly or indirectly, from the election of either candidate. I am of the great mass of unorganized citizens and, therefore, see no reason for casting my ballot for one or the other.

Admitting that there is no difference in the political philosophies of the contending candidates, should I not choose the "lesser of two evils?" But, which of the two qualifies? If my man prevails, then those who voted against him are loaded down with the "greater evil," while if my man loses then it is they who have chosen the "lesser evil." Voting for the "lesser of two evils" makes no sense, for it is only a matter of opinion as to which is the lesser. Usually, such a decision is based on prejudice, not on principle. Besides, why should I compromise with evil?

If I were to vote for the "lesser of two evils" I would in fact be subscribing to whatever that "evil" does in office. He could claim a mandate for his official acts, a sort of blank check, with my signature, into which he could enter his performances. My vote is indeed a moral sanction, upon which the official depends for support of his acts, and without which he would feel rather naked. In a democracy the acquiescence of the citizenry is necessary for the operation of the State, and a large vote is a prelude for such acquiescence. Even in a totalitarian state the dictators feel it

necessary to hold elections once in a while, just to assure themselves and others of the validity of their rule; though the voting is compulsory and the ballot is onesided, they can point to the large percentage of the electorate who underwrite their rule. In a free election, even though the difference between the candidates is a matter of personality, or between tweedledee and tweedledum, the successful candidate (though he might be the "lesser of two evils") can similarly maintain that he holds a mandate from the people. It is to the credit of a democracy that I can choose not to vote. I am not compelled to give my moral support to an "evil."

Getting back to the economic advantages that the candidates promise me, in exchange for my vote, my reason tells me that they cannot make good on their promises, except by taking something from my fellow men and delivering it to me. For, government is not a producer. It is simply a social instrument enjoying a monopoly of coercion, which it is supposed to use so as to prevent the indiscriminate use of coercion by individuals on one another. Its purpose in the scheme of things is to protect each of us in the enjoyment of those rights with which we are born. Its competence is in the field of behavior; it can compel us to do what we do not want to do, or to prevent us from doing what we want to do. But, it cannot produce a thing. Therefore, when it undertakes to improve the economy, it is compelled by its own limitations to the taking from one group of citizens and giving to another; it uses its monopoly of coercion for the distribution of wealth, not for the production of wealth. So that, when I vote for the candidate who promises me better-

ment in my economic condition, I am condoning and encouraging some form of robbery. That does not square with my moral values.

I would like to vote for a candidate who pledged himself to abolish taxation, *in toto,* for my reason tells me that underlying all the ills of society is this predatory institution. I would surely profit if I were not taxed, and so would all the producers; the only ones who would suffer from such an arrangement would be the drones, the bureaucrats, who would be compelled to work for their keep. But, since the abolition of taxes would put the politician out of a job and would make impossible his dispensation of special privileges, it is not likely that I shall have the opportunity of casting my ballot for such a candidate. Lacking that opportunity, I see no reason for registering my faith in the "lesser of two evils;" if memory serves me right, the "lesser" of either party who attained office has always increased the taxes I have to pay.

All in all, I see no good reason for voting and have refrained from doing so for about a half century. During that time, my more conscientious compatriots (including, principally, the professional politicians and their ward heelers) have conveniently provided me with presidents and with governments, all of whom have run the political affairs of the country as they should be run—that is, for the benefit of the politicians. They have put the nation into two major wars and a number of minor ones. Regardless of what party was in power, the taxes have increased and so did the size of the bureaucracy. Laws have been passed, a whole library of them, and most of these laws, since they are not self-enforcing, have called for enforcement agencies, who have

interminably interpreted the laws which created them and thus have spawned more laws. The effect of these laws is (a) to put restraints on the individual and (b) to concentrate in the hands of the central government all the powers that once were assigned to local government; the states are now little more than administrative units of the national government. Political power has increased, social power has waned. Would it have been different if I had voted? I don't think so.

Statistics indicate that nearly half the electorate—those eligible to vote—do not exercise their privilege. Whether such non-voting is due to apathy or a conscious rejection of the candidates and their philosophies of government (or the lack of any philosophy) it would be difficult to tell. Perhaps the stay-at-homes might be interested in registering their conviction if two candidates stated exactly what they stood for, without equivocation and without offering inducements to various pressure groups; but, in the absence of such an experiment, the best we can say is that a goodly number find no sense in voting.

It is interesting to speculate on what would happen if, say, seventy-five percent of the electorate refrained from casting their ballots; more than that is out of the question, for at least a quarter of the voting public are concerned with what they can get for themselves from the election of this or that candidate; their belly-interest is entirely too strong to keep them away from the polls. In the first place, the politicians would not take such a repudiation of their custodianship in good grace. We can take it for granted that they would undertake to make voting compulsory, bringing up the hoary argument that a citizen is morally obligated to

do his duty. If military service can be made compulsory why not political service? And so, if three-quarters of the citizenry were to refrain from voting, a fine would be imposed on first offenders and more dire punishment meted out to repeaters. The politician must have the moral support of a goodly number of votes.

Putting aside compulsion, what might be the effect on the citizenry and the social order if an overwhelming majority should quit voting? Such abstinence would be tantamount to giving this notice to politicians: since we as individuals have decided to look after our public affairs, your services are no longer required. Having assumed social power we would, as individuals, have to assume social responsibility. The job of looking after community affairs would devolve on all of us. We might hire an expert to tell us about the most improved fire-fighting apparatus, or a street cleaning manager, or an engineer to build us a bridge; but the final decision, particularly in the matter of raising funds to defray the costs, would rest with the town hall meeting. The hired specialists would have no authority other than that necessary for the performance of their contractual duties; coercive power, which is the essence of political authority, would be exercised, when necessary, by the committee of the whole.

There is some warrant for the belief that the social order would be considerably improved when the individual is responsible for and, therefore, responsive to its needs. He would no longer have the law or the lawmakers to cover his sins of omission or commission. Need for the neighbors' good opinion would be sufficient to induce acceptance of jury duty, and no loopholes in the draft law, no recourse to

political pull, would be possible when danger to the community calls him to bear arms in its defense. In his private affairs, the now sovereign individual would have to abide by the dictum of the market place: produce or you will not eat, for no law will help you. In his public behavior he must be decent or suffer the sentence of social ostracism, with no recourse to legal exoneration. From a law-abiding citizen he would be transmuted into a self-respecting man.

Would chaos result? No, there would be order, without law to disturb it. But, let us define chaos of the social kind. Is it not disharmony resulting from social friction? When we trace social friction to its source do we not find that it seminates in a feeling of unwarranted hurt or injustice? Now, when one may take by law that which another man has put his labor into, we have injustice of the keenest kind, for the denial of a man's right to possess and enjoy what he produces is akin to a denial of life. Yet the confiscation of property is the first business of government. It is indeed its only business, for the government has no competence for anything else. It cannot produce a single "good" and so must resort to doing the only thing within its province: to take what the producers produce and distribute it, minus what it takes for itself. This is done by law, and the injustice is keenly felt (even though we become adjusted to it), and thus we have friction. Remove the laws by which the producer is deprived of his product and order will prevail.

However, this speculation on the course of events if the individual should assume the duty of looking after public affairs, rather than leaving it to an elected official, is idle, or, to use a more modern term impregnated with sarcasm, "unrealistic." Not only would the politicians undertake to

counteract the revolutionary non-voting movement, but many of the citizenry having a vested interest in the proceeds of taxation would raise a hue and cry about the "duty" of the citizen to vote. The teachers in our tax-supported schools would lecture their pupils on the lack of public spirit on the part of their parents. Propaganda would emanate from tax-exempt eleemosynary foundations, and from large manufacturers dependent on government contracts. Farmers' organizations, with an eye to government largess, veterans' societies asking for handouts, and particularly the bureaucracy, would denounce non-voting as a crime against society. In fact, all the "respectables" would join in proclaiming the movement revolutionary—which indeed it would be; it would be a revolution intended to shift the incidence of power from officialdom to the people.

We would be told, most emphatically, that by not voting we would be turning the reins of government over to "rascals." Probably so; but do we not regularly vote "rascals" out? And, after we have ousted one set, are we not called upon to oust another crew at the next election? It seems that rascality is endemic in government. Our balloting system has been defined as a battle of opposing forces, each armed with proposals for the public good, for a grant of power. As far as it goes, this definition is correct. But when the successful contestant acquires the grant of power toward what end does he use it—not theoretically but practically? Does he not, with an eye to the next election, go in for purchasing support, with the taxpayers' money, so that he might enjoy another period of power? The over-the-barrel method of seizing and maintaining political power is standard practice, and such is the nature of the "rascality."

This is not, however, an indictment of our election system. It is rather a rejection of the institution of the State; our election system is merely one way of adjusting ourselves to that institution. The State is a product of conquest. As far back as we have any knowledge of the beginnings of this institution, it originated when a band of freebooting nomads swooped down on some peaceful group of agriculturists and picked up a number of slaves; slavery is the first form of economic exploitation. Repeated visitations of this sort left the victims breathless, if not lifeless and propertyless to boot. So, as people do when they have no other choice, they made a compromise with necessity; the peaceful communities hired one set of marauders to protect them from other thieving bands, for a price. In time, this tribute was regularized and was called taxation. The tax-gatherers settled down in the conquered communities, and though at first they were a people apart, time merged the two peoples—the conquerors and the conquered—into a nation. But, the system of taxation remained in force after it had lost its original character of tribute; lawyers and professors of economics, by deft circumlocution, turned tribute into "fiscal policy" and clothed it with social significance. Nevertheless, the effect of this system is to divide the citizenry into two classes: payers and receivers. Among those who live without producing are those who are called "servants of the people" and as such receive popular support. These further entrench themselves in their sinecures by setting up sub-tax-collecting allies who acquire a vested interest in the system; they grant these allies all sorts of privileges, such as franchises, tariffs, patents, subsidies and other some-

thing-for-nothing "rights." This division of spoils between those who wield power and those whose economic advantages depend on it is succinctly described as "the State within the State."

Thus, when we trace our political system to its origins we come to conquest. Tradition, law and custom have obscured its true nature, but no metamorphosis has taken place; its claws and fangs are still sharp, its appetite as voracious as ever. Politics is the art of seizing power for economic purposes. There is no doubt that men of character will give of talents for what they conceive to be the common good, without regard to their personal welfare. But, so long as our system of taxation is in vogue, so long as the political means of acquiring economic goods is available, just so long will the spirit of conquest assert itself; for men always seek to satisfy their desires with the least effort. It is interesting to speculate on the kind of campaigns and the type of candidates we would have if taxation were abolished and if, as a consequence, the power to dispense privileges was abolished. Who would run for office if "there were nothing in it?"

Why should any self-respecting citizen endorse an institution grounded on thievery? For that is what one does when one votes. If it be argued that we must let bygones be bygones, see what can be done toward cleaning up the institution of the State so that it might be useful in the maintenance of orderly existence, the answer is that it cannot be done; you cannot clean up a brothel and yet leave the business intact. We have been voting for one "good government" after another, and what have we got?

To effectuate the suggested revolution all that is necessary

is for citizens to stay away from the polls. Unlike other revolutions, this one calls for no organization, no violence, no war fund, no leader to sell it out. In the quiet of his conscience each citizen pledges himself, to himself, not to give support to an immoral institution, and on election day stays home, or goes fishing. That's all. I started my revolution fifty years ago and the country is none the worse for it; neither am I.

CHAPTER V

The Single Taxer

A FEW YEARS after I got out of college I accidentally met up with Henry George's *Progress and Poverty.* I had heard about the book but knew nothing of its content, so that when I picked it off a friend's shelf and read the introduction, while he was shaving, I had no idea of what I was in for. The style of the writing interested me and I borrowed the book for further reading mainly because of this fact. I thought Henry George was one of the nineteenth century essayists who had passed me by, and undertook to read him for this reason only.

I read the book several times, and each time I felt myself slipping into a cause. A young man must have a cause, even as he must have a wife; it is natural for the imaginative young mind to attach himself to an idea, to glamorize it, and to put his ebullient energy to the realization of that idea. Some young men make a cause of their careers, some of their religion, some of fraternal organizations, and some are attracted to an utopianism. Among the latter are the socialists, the anarchists and the single taxers. I had rejected socialism offhand, anarchism I found wanting, and since neither woman suffrage, prohibition, monetary reform nor any of the dozen other advocated cure-alls

appealed to me, I found myself without a cause; yet, though I was not conscious of the need, I must have been ready for one, and the single tax filled the gap.

When I returned to New York in 1917 (I had read *Progress and Poverty* in Chicago) I happened to meet with a group who called themselves the Single Tax Party. Though I knew nothing about politics, and instinctively distrusted politicians, the poverty of the Single Tax Party and the devotion of its members appealed to me, and I threw myself into its work for a couple of years. The work consisted mostly of handing out tracts on street corners and of soapboxing. The latter activity was exhilarating. The soapboxer begins by convincing himself that he is possessed of a great truth which he is impelled to give to the world. But, it soon dawns on him that on the street corner he is not a teacher at all, but rather an entertainer of sorts. The crowd that gathers around him consists of idlers, interested only in passing time hanging heavily on their hands, and in the give and take of the speaker and his hecklers. It is the question and answer period, which the speaker gets to as soon as possible, that makes the crowd. The questions put to the speaker are rarely honest ones, that is, questions eliciting information, but are usually aimed at upsetting the speaker and getting a laugh from the crowd at his expense. To avoid that embarrassment, the soapboxer soon acquires the habit of answering the supposed queries with quips that turn the tables on the heckler. Soapboxing has gone out of style, but while it lasted it was great fun, developed skill at debating and accomplished nothing in the way of education. I tired of it in short order.

The subtitle of *Progress and Poverty* gives a clue to

George's utopianism: "An inquiry into the cause of industrial depressions and of increase in want with the increase of wealth." Here was an implied promise, that he would show a way out of the enigma of persisting poverty in the midst of progress in the arts of production. Socialists and anarchists have tackled the problem and come up with solutions that amount to the abolition of private property and the distribution by the State of the results of production. The weakness of this solution lies in the fact that the abolition of private property would dry up the initiative that results in the abundance of things that men live by; besides, the State, being composed of human beings, is without the omniscience necessary for the proper distribution of goods. George would have none of that. Poverty, he insists, results not from maldistribution, but from the shortage of production; labor and capital are prevented by a quirk in our social arrangement from producing enough to go around. It is this deficiency in production that George addresses himself to.

All production, George points out, is the result of the application of labor, with the assistance of capital, to land; and land he defines as all the resources of nature. Nothing usable, nothing that caters to man's desires, can be acquired in any other way. Therefore, the secret of production lies in the availability of land, particularly the land of greatest natural yield, or sites on which the greatest number of exchanges can be made. There is land enough in this world from which enough can be extracted merely to keep body and soul together, which is a condition of poverty; but there is a scarcity of sites which because of their natural productivity or because of their nearness to markets yield

most to the application of labor. This scarcity gives them value; the bidding by labor and capital for their use is expressed in rent.

But, the rent of these lands is not an expense that labor and capital must bear; it is merely a measure of their desirability, and is actually paid for by the greater productivity of these sites. Thus, the rent of a desirable city site is not a charge against the services or merchandise produced thereon, is not added to the price of these goods or services, but is distributed in the number of transactions made possible by the nearness of this location to traffic, by its accessibility to buyers. While the rent of agricultural land is fixed by the excess of its yield over the best land that can be had for nothing and cannot be added to the price of crops, the price is determined by the higgling and haggling of the market, regardless of the rent of the land on which these crops are produced.

So far so well. However, under the private collection of this rent there is a tendency on the part of the owners to hold their sites out of use in anticipation of a higher capitalized rent than they can at present pay. Capitalized rent is the price demanded for land. This holding of land out of use for greater yields is called speculation, and it is this practice that holds down production. Since wages come out of production, this curtailment of output results in a lower wage level, which is the economic description of poverty. Nor is that all. Land speculation, by holding out of use the most desirable locations, those that can yield the most to an investment of labor and capital, reduces the abundance of goods in the market place and thus raises the price of the available satisfactions. So that, besides reducing the level of

wages, land speculation hurts labor as consumer. Meanwhile, capital—which George defines as goods used to produce more goods, or tools—is deprived of its wages, or interest, by the lack of opportunities for investment occasioned by the holding of sites out of use; for capital, like labor, is useless unless it can be applied to natural resources.

So, then, the fly in the ointment is land speculation. If this practice were made impossible, if the best lands were open to exploitation by labor and capital when, as and if they were needed, production would be limited only by the industry of labor, the amount of capital available and the degree of technological knowledge attained. Buildings would arise on sites which are either held idle or are uneconomically used in anticipation of a rise in land values, slums and blighted areas would disappear, and this boom in construction would create innumerable jobs in mines, lumber camps and in the industries catering to the building business. Idle land nearer the cities would be put to use producing truck gardening, which would bring down the price the housewife has to pay for such commodities. And so on. Wages, interest and rent—the three natural avenues of the distribution of wealth—would rise in proportion. Involuntary poverty would disappear, and only those would be poor who preferred that condition of life.

To abolish land speculation George would have the government collect the rent and use it for social services. (George is not quite clear on which government would do this, but from the context of his writings one draws the conclusion that he meant local, as distinct from national, government.) If this were done there would be no point in

holding the land out of use, since every increase in the rental value of land would accrue to the government. At one point, George suggests that a small percentage of the rent could be retained by the owner, to make it worth his while to act as collector for the government; but this percentage would not be sufficient to warrant speculation.

Rent would be sufficient to meet all the needs of government and, therefore, all taxes should be abolished. In point of fact, George maintains, the value of the services rendered by government is reflected in the rent of land, and the collection of the rent would be payment for these services. Thus, a location becomes desirable because of the streets, bridges, fire protection, sewage disposal, schools, and so on, which it enjoys. The rent of land goes up in proportion to the number and quality of the services rendered by government. More than that the government has no right to. Hence, taxes are both undesirable and unnecessary.

When George published his book, in 1879, there was no income taxation, and practically all taxes were levied on production. Taxes on production are passed on to the consumer, in the prices of commodities, and bear most heavily on those least able to meet the expenses of government. He would therefore abolish them and substitute a heavy tax on land values (or capitalized rent), heavy enough to discourage speculation. This proposal got the name of the "single tax," a term he rarely used; he was for the abolition of taxes and the collection of land rent in lieu thereof. He used the expression a "tax on land values" reluctantly, as a concession to usage; people know what taxation is, but are ignorant of the meaning of rent; but, he pointed out, a tax on land values would eventually wipe out these values

and people would become accustomed to the collection of rent *per se*.

Rent is not a tax. It is payment for the use of a location, determined by the higgling and haggling of the market, and it makes no difference to the land user whether he pays rent to the city fathers or to a private owner. Nor can he pass on the payment to the consumer in the price of the commodity he produces on the location, or of the services he renders there. Where rent is high, there goods are cheap; where land values are low, there the products of labor are expensive. It is true that an automobile will sell for the same price on Broadway, New York, as on Main Street in some small town, but on Broadway the dealer will throw in free many services that the dealer on Main Street is incapable of rendering, or offer a trade on one's used car that the small town dealer cannot offer. In New York, where rentals are enormous, as compared with those in a smaller city, one can enjoy opera, the art museums, theatre, or a multiplicity of specializations—as in medicine, as which are not available in low rental areas. Rent is merely the measurement of the opportunity of rendering service on that site, or, conversely, of receiving services by the community. It is not a cost of doing business. It is an item of expense that is absorbed in the number of transactions that that particular location makes possible. It differs from a tax in this respect: a tax on commodities makes them dearer, while a tax on rent makes land cheaper.

That, in a nutshell, is the "single tax:" the public collection of the rent of land in lieu of all taxes. It is a simple proposition, economically irrefutable and fiscally sound, and moreover appeals to our sense of historic justice. After all, as

George points out, all title deeds to land originated in force or fraud, and current titles cannot get rid of their original unsavoriness. The moral basis of private property is labor; a thing is mine because I made it, or because I exchanged what I made to acquire possession of it. But, nobody has yet invented a way of adding one iota to the sum total of natural resources which is the world; land is what it always was and will be, the gift of God. Yet, George would not disturb the present ownership of land, and would give these owners titles in perpetuity; so long as they or their heirs pay rent to the community, it would be theirs. George is not concerned with land, but with rent.

The solution of the problem of poverty, or lack of wages, lies in the encouragement of production by making available to capital and labor the most productive sites, when they are needed, and in abolishing all taxes. As for industrial depressions, George locates their cause in the antecedent land booms. Most economists ascribe these precipitous collapses in all values to the widespread speculation that precedes them; George, digging down to fundamentals, finds the primary cause in the speculative advance in land values or the securities based on them. During a period of industrial activity the demand for land, from which all the raw materials for industry must come, is active. Land is a fixed quantity, cannot be increased at will, and pressure for its use gives rise to the expectation of a still greater demand. This results in speculation, the holding of desirable lands out of use in expectation of receiving higher rents or purchase prices for permission to use. This speculative rise in rent (or capitalized rent) leaves less and less for wages and interest until at long last labor and capital have

little in the way of compensation for their efforts, and production comes to a halt. This stoppage of production, which is what a depression really is, causes land values to drop, and when they reach a level determined by the economic needs of the community (when the speculative advances have been squeezed out), production starts in again. This explanation of the cause of depressions is supported by the known fact that long before production and exchange in the cities decline, mines and quarries begin to shut down, and declining prices of farm products result in mortgage foreclosures; the depression hits the land first. The obvious cure for depressions is to forestall speculation in land by the public collection of rent.

The "single tax" has been attacked as being too simple, unfair to landlords, an inadequate source of public revenue and even socialistic. All of these charges have been well refuted. There is, however, one objection to the reform which even its opponents overlook and which its advocates are inclined to slur over. George assumed that the rent of land when collected by public officials would be used to defray the expense of maintaining services necessary for social living. But what if they did not apply the rent fund in that way? What if they used it to further their own purpose, which is the expansion of their power over society? What if they spent it for the purchase of votes, even as they do with taxes? To such questions the advocates of the "single tax" reply that if the rent were not used on social services rent would decline and the government's income would decline in proportion. Where there are no adequate roads, where sewage disposal is neglected, where police and fire protection is wanting, where schools are abandoned, there produc-

tion would shrink and the demand for land would dwindle. But, in that event, would not wages and interest decline along with the rent? And, in that case, the economic and social benefits of the "single tax" would disappear.

Besides, what are social services? The term is quite elastic, and could be used to include socialized medicine, loans to business, subsidies to various segments of society, foreign adventures, enlargement of the bureaucracy, and a host of other activities that prosper the politician at the expense of society. It has been estimated that the rent of land in this country far exceeds the income from taxes, and if this vast sum were put at the disposal of politicians it would be used with the same profligacy. To the aspiring politician, rent or taxes would be the same.

George himself met this argument, when it was put to him, with excusable naïveté. In his day the State had not yet become the monstrous institution that it has, thanks to the income tax. The power problem of his time was not the growth of the political establishment, but the growth and importance of the corporations then burgeoning. True, the politician was recognized as the pawn of these interests, but was not considered as of primary importance; he was generally looked upon as a menial who would sell his services to the highest bidder. This would stop, said George, if political office were put into competition with industrial opportunity. The vast increase in productive activity that would result from the introduction of his reform would open up untold opportunities for men possessed of any skill whatsoever, and political offices would go begging; only men of independent means and with a passion for public service would seek political office.

This is the answer of a man blinded by his own panacea, or one with an abiding faith in the essential goodness of man. The fact is that men are attracted to a political career not because of cupidity—although this does play a part with some men—but because of lust for power. Why does an extremely wealthy man spend a considerable portion of his fortune for the attainment of office? Because (he honestly believes) of the opportunity it offers him to render public service. He hopes to apply his business experience to political affairs, by which he means the subjection of politics to the rules of the market place. But, he soon learns, from the ubiquitous bureaucracy, that government is power and that power cannot be controlled by the competitive conditions that obtain in the market place. There cannot be two governments vying for authority. And what is political authority? It is the right to compel people to do what they do not want to do or to refrain from doing what they want to do. There is nothing else that government can do, that it has any competence for. And so, the public spirited rich man turns to the use of the power vested in him to do things for the "public good." He institutes programs which in his estimation will prosper the people, but each program is implemented with the power of enforcement; it cannot be subjected to the rules of the market place. Thus, the more programs he institutes the greater the power vested in his office, which he eventually leaves (quite reluctantly) with the feeling that he has accomplished something that benefits the people. Whether they have or not, the net result of his term in office is that more and more constraints have been put on the people, that their freedom to pursue happiness in their own way has been curtailed. He has achieved

nothing but a sense of satisfaction in the power he has exerted over them—which, though he may not have been aware of it, is what attracted him to the office in the first place.

Now, political power is in exact ratio to the amount of money at the disposal of the politician. This is so because the programs he institutes all involve restraints on the people and must be enforced; they are not self-enforcing. And the enforcement agencies, the bureaucracy, must be paid. Now, whether the funds come from the collection of taxes or the collection of rent is immaterial. Even if, as seems probable, the collection of rent in lieu of taxes would spur industry for the benefit of labor and capital, it would also increase rent, which is part of production, and thus give the politician more with which to ply his trade.

This was the dilemma I found myself in when I was teaching the philosophy of Henry George, as director of the Henry George School of Social Science. I have not resolved it yet. If, as Henry George intimates, the reform he advocated were locally applied, it would produce the economic and social benefits expected of it, but that is because in smaller communities the politician is more subject to social pressure than in large political units, and the people's surveillance of their rent fund would hold him in line. But, even under our present iniquitous tax system, the freedom of the people is in inverse proportion to their distance from their ruling government; the nearer they are to their rulers the less they are ruled. If the "single tax" were nationally instituted, or even on a state-wide basis, though production would go up, freedom might be impaired.

CHAPTER VI

Henry George and the Classicists

I BECAME INTERESTED in economics—or political economy, as he calls the discipline—by studying Henry George. His treatment of the subject removes from it the "dismal" label that had long been attached to economics. His clear-cut definitions of vital terms, his impeccable logic, his use of telling illustrations and, above all, the well-rounded Victorian sentences in which he clothes his ideas, make the subject pleasurable. Furthermore, his demolition of the Malthusian theory and the equally discouraging wages-fund theory (and other notions of the classicists) lifted the veil of "dismalness" which had hung over the subject of political economy; he gives it vitality and hope. There is plenty, and for all, he maintains, if production and trade were freed from the shackles of institutions founded on ignorance of the natural laws of economics. In this respect—his insistence that natural laws obtain in the realm of economics even as they do in the physical sciences—he traces his intellectual lineage back to the classicists, or old-fashioned liberals.

The liberal approach to economics followed from the primary premise of the liberal revolt against the State. The liberals rejected the notion that political authority was born in heaven; rather, it was manufactured by men out of whole

cloth, and for a specific purpose, that of maintaining social order. It had no other function and no competence for anything else. It was devised for the simple business of seeing that men do not transgress on one another's rights (which were born, if anywhere, in heaven), and having done that, it was finished. Certainly, neither its character nor its composition gave it any competence in economic affairs. As proof thereof, the liberals could point to the troubles that arose whenever government presumed to intervene; it always made the making of a living more difficult. Therefore, any investigation of the principles governing the production and distribution of wealth, which is the field of economics, must begin by eliminating government as a factor. It does not belong. Economics, the liberals declared, might throw light on the subject of politics, or even ethics, but it is a subject of its own. It is *sui generis.*

To the liberal mind—of the eighteenth or early nineteenth century—all the answers to the whys and wherefores conjured up by the human mind were lodged in the "nature of things." It was taken for granted that nature has her own ways of applying means toward ends, and the best that man could do in furthering his own welfare was to discover nature's secrets and then make judicious use of them. That is, the liberal took his stand with natural law, in economics as well as in other disciplines. It will take some hard digging to find these immutable causative relationships, these self-enforcing and self-operating laws of economics, but there is nothing else the student can do. He will make a lot of mistakes, a lot of erroneous observations and false conclusions; when experience shows that he has, he must carefully retrace his steps, always going back to the

"nature of things" as his starting point. Never must he lose faith in the harmony of nature, in its pattern of perfection, nor in his ability to penetrate its enigmas. Above all, he must avoid the heresy that economics is the handmaid of politics.

Obviously, from that point of view there is no such thing as a successful "controlled economy." As in the case of physical laws, the natural laws of economics cannot be managed nor manipulated by parliaments, and any attempt at doing so must produce results quite the opposite of those promised. If one steps off a high building one does not stop the operation of the law of gravity, but suffers a broken neck; so, defiance of the laws of economics brings results not contemplated by the defier. Thus, the liberals would hold, if there is a natural law of wages, an attempt to politically manage wages must ultimately result in the lowering of the general level of wages, even if at first the semblance of a rise is produced. Or, if in the nature of things a law of property operates, the result of trying to defy it is to discourage the production of things that can be owned. The long term consequences, the end results, are the final proofs that natural law has been on the job all the time. Nature has time on her side.

In short—the goal of liberal inquiry into economics was to find absolutes. With anything less, its greatest exponents —Adam Smith, the Physiocrats, Ricardo, Malthus, Bastiat, Say and the others—simply would have nothing to do. They remained adamant in their purpose, even though their findings proved to be erroneous, even though they disagreed violently with one another in their estimates. It was a brand new science they were tackling, and it was not to be expected that nature would reveal her secrets at the first try;

she is too proud a hussy to succumb to the blandishments of neophytes, no matter how sharp and brilliant they might be. Besides, economics presents special difficulties for the investigator. It is not concerned with how Robinson Crusoe makes a living, but how men cooperating with one another for their mutual benefit manage the job. That is, it is a social science, and the investigator is under the necessity of studying the living organism of society in time and space; there is no way for him to submit society to laboratory conditions for observation. He has to, so to speak, catch society on the run.

That difficulty was as nothing compared with another that is peculiar to the science of economics. The seekers for natural law were confronted with the obstacles of prejudice, vested interests, established institutions, and were under the further handicap of piercing their own preconceptions and biases. In the making of a living men are inclined toward the easiest way, and if the easiest way involves robbery (which is a denial of natural law), they will try to institutionalize the practice and make it morally acceptable. Once peculation is regularized, and practices are built on the regularization, it is difficult for the keenest eye to penetrate the fog of tradition to the basic error. And, if the scientist does manage to detect the basic error, his exposition of it meets with the opposition of those whose comfort might be disturbed and who will therefore do their utmost to discredit the discovery. Thus, prudence inclined the liberal economists to treat gingerly the long-established institution of slavery. In their several attempts at definitions (which are prerequisite to orderly thought), they found it difficult to describe wealth—their basic noun—as the product of

human labor and natural resources; that definition almost writes itself, but it puts the slave in the category of labor, not wealth, and stamps the ownership of the products of slavery as confiscation; that would not meet with the approval of the gentry engaged in the extensive slave-trading business. Or, if capital were defined as goods used in the production of more goods, where does that put the owner of land? Does he own capital or does he own the raw materials from which capital comes? In the latter case, he has to establish his moral right to raw materials—which he finds it difficult to do.

Such barriers to objectivity, plus the difficulty of examining society in a state of flux, gave liberal economists a bad start. In their haste to hit upon laws which they assumed nature had disclosed to them, they formulated contradictory and ill-founded concepts. For instance, Ricardo hit upon the "iron law of wages"—that wages could not go up without attracting more laborers, thus cutting the average down; but this was based on the wages fund theory—that there was only a given amount which capitalists set aside for wages at the beginning of the year, which is, of couse, an erroneous conception. Or, when Malthus declared that population tends to exceed the food supply, and that nature prescribes famines and war to recreate a balance, he overlooked that fact that, given freedom, man will make two blades of grass grow where one grew before. It was such errors of observation or miscalculation of estimates that caused confusion and threw doubt on the whole subject of economics.

For that reason, in the latter part of the nineteenth century a new crop of economic thinkers declared it was high

time to abandon the natural law approach; there are no such things as absolutes in economics, they said. Economics, they further declared, was not a science at all, but rather a study of the legal and institutional arrangements by which men produce and divide up economic things. They declared it to be a purely descriptive and pragmatic study. It describes how men make a living under existing custom or law, and it accepts as "truth" whatever "works." If custom and law change, "truth" goes along with the change, and the economics text books have to be rewritten to conform to the new "truth." It is a photographic record of the prevailing *modus vivendi,* and it sights its lens in all directions. Thus, we have "economics of retail merchandising," "banking and bonds," "agricultural economics," "real estate economics" and all the other titles that adorn the college curricula. If privateering were legalized and institutionalized there would undoubtedly be added a course on the "economics of privateering."

The modern vogue makes of economics a branch of political science. If, for instance, the occupation of farming is regulated by law, then the student of "agricultural economics must know the law and apply himself to the results of its operation; a change in the law necessitates a redirection of the study. Or, if the incidence of taxation should fall with particular impact on railroading, that fact must be taken into account in the study of the economics of railroading. From this it will be seen that modern economics is an atavism. Under the divine right doctrine the king was presumed to have the capacity to regulate wages, prices and the condition under which men could produce and exchange things; the modern economist endows the State

with the same capacity. It was, indeed, to deny the validity of the Mercantilist State, with its economic presumptions, that Adam Smith wrote his *Wealth of Nations* and began the vogue of treating economics as a natural science. The modern economist, rejecting the idea of the naturalness of economics, is a mercantilist of the first water. He might object to certain interventions of the State, as inadequate or unfair, but he takes for granted that intervention is not only proper but essential to the management of economic affairs. Since this notion was abhorrent to the liberals of old, it is odd that the modernists should assume the character of "liberals."

And yet, the modern, political economists inferentially pay homage to the theory of natural law in their offhand dismissal of the long-term consequences of intervention. Lord Keynes' statement that "in the long run we are all dead" is in point. If the long term results contravene the immediate effects of some political intervention in the economy, it must be that a greater force has asserted itself and has invalidated the short term effect of the intervention. What is that greater force? It is a natural law. Thus, if the government attempts to fix wages it might succeed in so doing immediately; but the ultimate consequence of its acts is to discourage production. Why? The answer lies in the nature of man; he simply will not put forth productive effort without commensurate compensation. To be sure, he will do some work to avoid the lash of the slave master, but the amount is negligible compared with the incentive of private possession of the fruits of his labor. Slaves are notoriously poor producers. The point is that wage-fixing is not in consonance with natural law and therefore will pro-

duce results not contemplated by the wage-fixers, in the long run. The same is true of the regulation of commerce; it spawns smuggling. Every intervention in the economy must be accompanied with force, simply because it runs contrary to the natural law. And the insistence of the interventionists on a law "with teeth" is an admission that this is so.

It is sometimes said that economics cannot be a science —a study based on natural law—because in economic affairs the variable human will is involved. Thus, value, which plays a big part in all economic thought, is purely subjective and therefore not measurable. It is true that the value of a thing cannot be predetermined with exactitude; that is something which the higgling and haggling of the market must decide. But, the value put upon a thing by this higgling and haggling is simply an equation between supply and demand. If the supply is great, demand remaining constant, the value will drop, and the value put upon the last item in the supply will be equal to that of the first item. The natural law involved here is that in a free market value will find its own level. On the other hand, if this law is denied and an attempt is made to fix values, or prices, what do you have? A black market, in which the law of supply and demand continues to operate, despite the police and the conceit of the planners.

Socialism—a generic term with which must be included economic planning, economic regulations and economic controls—begins by assuming that there are no immutable economic laws. To substantiate that assumption it must first deny that man is born with an indigenous nature, that he is endowed with instincts and impulses which control his

behavior under any and all conditions. He has no character. To the socialist, the human is a bit of protoplasm which can be shaped by his environment. Therefore, having decided on his ideal, he proceeds to manufacture the environmental mold into which he shall pour this protoplasm. The principal feature of this mold is the elimination of the institution of private property; this institution, the socialist maintains, is the cause of man's fall from grace. If he finds difficulty in inducing the human to relinquish his interest in private property, the socialist does not ascribe this reluctance to a human instinct, but rather blames it on his previous conditioning; he has been trained for so long to look upon the possession of the fruits of his labor as desirable that he cannot conceive of the blessings of relinquishing possession to society. To put this concept into his mind, it is necessary to forcibly take from him all he produces until at long last he will be re-conditioned to the new ideal. Force, therefore, is the necessary instrument of all forms of socialism. Whether or not the use of force will produce the kind of society of which the socialist dreams, the fact remains that force must be exerted by one group upon another, and who can say that the group exercising it is possessed of a divine sanction for its use? At any rate, the use of force produces resentment, or the use of a contrary force, and this conflict results in chaos. And nature abhors chaos. Therefore, regardless of the claims of socialism, the instrument on which it relies to achieve its ends is contrary to the dictates of nature.

What is true of socialism, the doctrinaire kind, is also true of all attempts to politically regulate the commerce

of men. Such attempts are always accompanied by the use of force, coercion, compulsion. Politics is by definition the art of compelling men to do what they are not inclined to do, or to refrain from doing what they want to do. It is the business of restraint. In a primitive society, as in our frontier life, the use of restraint was entrusted to the individual; he carried a gun to secure his life and his property. In organized society, this duty is undertaken by government, and insofar as it does protect life and property its use of force is justified. But, when government undertakes the use of its monopoly of coercion for other purposes, it becomes a trespasser; it becomes a trespasser simply because it is not equipped to do anything else than the protection of life and property; it has no other competence. The sum and substance of its intervention in the economic affairs of men is to use its monopoly of coercion so as to deprive some people of their property in favor of another group, or, indeed, in favor of itself. That is all it is capable of doing; coercion is not a factor of production, it is neither labor nor capital nor land, and has no place in the production or distribution of wealth. In short, government is a nonproducer. Therefore, the only function it can perform in the economic field is that of a robber; it takes what it cannot produce. Under the circumstances, therefore, government intervention in economic affairs becomes organized robbery, and even though this is done for presumably eleemosynary purposes, it causes dissatisfaction among producers and, eventually, a loss of interest in production.

No, politics is not economics. Economics is the science dealing with the production and distribution of wealth,

subject to natural law, while politics is the art of restraint, subject to expediencies. And, so long as the present vogue of treating economics as a branch of politics continues, the current confusion among economists will continue.

That much I learned from Henry George.

CHAPTER VII

Wandering Through the Years

WHEN I GOT OUT of college I was all set to be a poet. I might have succeeded in this glorious ambition if I had been born thirty years later, when the formless stuff that now goes by the name of poetry (and which consists of one metaphor explaining another) came into vogue. But, my ideals had been Shelley and Keats and Byron, and I soon realized that my muse was not up to it. Besides, I acquired a wife who needed regular sustenance. Therefore, I turned to teaching as a career; that promised some regularity of income. "Security," however, had not in those days attained in the hierarchy of values its present apogee, and in my case the spirit of adventure was too strong. Within a year teaching, for which I had been trained, became wearisome; especially so when the principal told me that while he could not find fault with my methods, I had better conform to the Department's regulations, particularly for one day next week when the district superintendent would be around. This kind of conformism, which is inherent in bureaucratic management, irked me and I decided to quit. Because I thought it would give me a chance to do some kind of writing, advertising struck me as a field worth trying. I tackled one kind of job after another for a year or so

and finally settled down to writing copy for a Chicago mail order house.

I met up with some tunesmiths, composers of popular songs, and as a side line I wrote lyrics for a number of years. Thus I became familiar with a practice that in recent years has become known as "payola"—payments made by manufacturers of discs to radio and television operators for the playing of them. In the early years, when the aim of publishers was the sale of sheet music, "payola" (it had not got that name yet) consisted of gratuities to vaudeville artists for the playing or singing of songs the publishers had selected for "hits." After all, having songs heard was, and still is, the only way of advertising them, and vaudeville performers reached the largest audiences. Some of the better known performers were put on the publishers' payrolls, and in a few cases the performers insisted on having their names appear on the songs as co-authors and, of course, on sharing in the royalties.

Competition among the publishers for the services of these performers raised the gratuities to the point where profits on even "hits" did not offset the expense; even less known vaudevillians demanded a share of the largess. As a result, the publishers made an agreement among themselves to put limits on the amount paid to these singers and musicians, and some publishers, realizing that sometimes a song would catch on its own merits, without this expensive "plugging," decided to discontinue the practice altogether. It was the economics of the situation that brought them to their senses. They did not invite governmental interference in their business, and a politician who had attempted to get headline mention by suggesting an "investigation" would

have been laughed at. It was generally conceded in those days that government had no warrant for injecting itself into "payola."

From four to seven years was about all I could take of any occupation throughout my life. I went at each job I undertook with verve, mastered it and when it became routine I lost interest and went looking for something else. So, after writing mail order copy for four years I came to New York with the intention of doing advertising work for a clothing house. But, World War I came on, the house I was with acquired a government contract and I was shunted from advertising to running a factory. Since everybody was certain at the time that the war would last only six months, I assumed that my factory assignment would be temporary. As it turned out, one government contract followed another, and I found myself immersed in production problems, which I found rather interesting. A strike in the clothing industry changed my course; the manufacturers' association acquired a factory in Springfield, Massachusetts, and I was selected to run it. The plant was eventually taken over by one of the firms in the association and I remained as manager.

During this five year spell only one incident deserves comment. One morning about twenty-five employees, out of a total complement of 750, did not show up for work; rather, they showed up on a picket line, consisting of about one hundred marchers. We had heard rumors of a union being organized among the employees, but the picket line was the first actual demonstration. I called together all the remaining employees, outlined the situation and told them that we would continue to operate the shop if they voted for it; their decision seemed to be unanimous and we continued

operations as usual. But, knowing something about union methods, I asked the police authorities to give us protection, particularly protection for the workers who wanted to work. This was assured us. On the second day of the so-called strike one of our workers was molested by a picketer; the latter was quickly hauled into court, properly lectured by the judge and told that the next demonstration would land him in jail. One striker visited the home of a worker and threatened his wife with dire consequences if her husband continued on the job; he was given a six months jail sentence and put on probation. Such protection was all that was needed, and within a few weeks the union gave up. Which demonstrates this fact: that no strike can be won by a union if the government carries out its primary function, the protection of life and property; or, conversely, that a union must be allowed by the authorities to commit acts of violence in order to succeed in their purpose. I have found that collective bargaining means, to the union, collect what you can, by force, and bargain for the rest. All of our labor troubles stem from the inability or unwillingness of the authorities to do their duty: the protection of life and property. Realizing this, employers are reluctant to jeopardize the lives of their employees, or to court destruction of their property, and so, at the first sign of trouble shut down their plants; and this, of course, is what the unionists aim for in committing acts of violence.

My fortuitous licking of the union — the famous Amalgamated Clothing Workers of America — made me something of a character in industrial circles and I was invited by the Harvard Graduate School of Business to lecture on the case. This was in 1923, a few years after the Bolshevik

Revolution, when the intellectuals of the country were hoping for "something good" to come out of the "Russian experiment." In my talk, I pointed out that the Amalgamated was a Marxist union, bent on abolishing the wage system rather than effecting an improvement in the conditions of its members; this was a picture quite different from that presented a week earlier by Sidney Hillman, president of the union. And though I cited from the constitution of the organization and gave instances of the ideological orientation of its leaders, my audience (consisting of young men preparing themselves to take over the management of industry) did not like my capitalistic point of view; their questions were hostile, as were the glances of the two professors present. Even in those early days, Harvard was leaning perceptibly toward Marxism.

Well, after five years of managing this plant, the urge to go into business for myself got hold of me. I did quite well in this venture for about seven years, and then the depression fell on me with all its fury. The odd thing about this experience was that I knew the depression was coming —my understanding of economics warned me of it—but I could not bring myself to curtail operations in preparation for it. My business had been prospering, I kept plowing my profits into capital expansion, always looking ahead and always hoping that the depression was some time in the future. When it hit me, I was financially unable to meet the impact. This only proves that economic understanding is one thing, and economic timing is quite another. That's why economists are such poor prognosticators.

Depression or no depression, I had a living to make. So did everybody else, and for all the talk of dire distress I

never heard of anybody starving to death, nor was the destitution as unrelieved as the politicians made it out to be. Somehow, people got by, not by the ministrations of The New Deal, which were quite ineffective, but by their ingenuity and their industry. I got a job as a travelling salesman. I had had little experience at this kind of work and, being city bred, was quite unfamiliar with the problems of the farm territory to which I was assigned. But, by dint of hard work and attention to details I managed to last at the job for four years; I even increased the volume of business done in the territory by the firm. One device that I inadvertently hit upon helped me no end in my selling. Just by way of "visiting" with my customers, I managed to get some ideas on economics and public affairs into the conversation, and I noticed that this interested them. Some of them were prepared with questions when I called on them and this would set me off on improvised lectures before we got around to talking business. Sometimes I was asked to address the local civic club. The four years I spent on the road were profitable in various ways.

But, I tired of selling. About that time the struggling Henry George School of Social Science was in need of a director and I decided to take the job. It proved to be something that I had spent my life preparing for. What talent I had at advertising stood me in good stead in promoting enrollments and at raising money; my business experience helped me to manage the impecunious institution; my knowledge of Henry George and economics in general made me a fairly good teacher; my zeal for "the cause" supplied me with energy. I got along swimmingly for about five years, training teachers (all volunteers), getting up new courses,

writing syllabi, raising money and, to my joy, editing a school paper called The *Freeman.* The last two occupations, raising money and editing, were my ultimate undoing. This needs some explaining.

In *The Freeman* I took delight in attacking the New Deal and Mr. Roosevelt, mainly on economic grounds. That went well until Mr. Roosevelt started preparing the country for war, in 1939. Prudence should have prompted me to avoid the war issue, but prudence was never one of my virtues, and I continued to hammer away at the war measures right up to Pearl Harbor. In the meantime, I had got a man of means to put a considerable amount of money into the school. The trustees, a group of business men whom I had made trustees, were quite willing to let me have my way when there was no money in the bank, but now that there was a monetary stake in the institution they began to get worried about my anti-war editorials. Besides, a couple of them were engaged in government work and did not relish being put on the spot. So, I was ousted. I learned a lesson from this experience that has caused me to reassess my previous estimate of the behavior of men dedicated to a "cause"; namely, that men do not generally act on principle, but are primarily motivated by considerations of convenience and profit. The trustees were as much opposed to the war as I was but thought that we "should keep quiet" for the duration; that is, their convenience and profit replaced principle.

A couple of years later I started what proved to be the most gratifying venture of my life—a paper of my own. Several publications for which I had written occasional articles had either closed up shop or had changed their

editorial tune to suit the ears of their readership; it was war time. Desperately anxious to express myself, I decided to launch a vehicle of my own. Some friends concurred in my decision, underwrote subscriptions for their friends, and thus came into existence a monthly broadsheet called *analysis*. It was a venture in personal journalism, something that had long gone out of style. For seven years I managed to keep it going, rubbing along on outside work mainly, and having a good time writing for myself and for some four thousand readers.

It was a curious experience. Once a young lady wrote me that she was quitting *analysis* because I had put Hitler and Stalin to bed in one sentence; she thought there was considerable ethical difference between the two. One man wrote that he found my attacks on the New Deal rather offensive, but because he liked the style he was renewing his subscription. Some readers intimated that I was in the pay of Hitler, Göring & Co., others suggested that I was being subsidized by the National Association of Manufacturers; meanwhile I wistfully wished that somebody would help me pay my board bill. I was called a communist, a fascist, a reactionary, a radical, a nihilist, and, what was nearest to being descriptive, a damned fool. These critical comments and cutting epithets called to mind a remark made by a friend on the practice of reading. He said, "Most people look at printed pages but make no effort to read them; the letters on these pages serve only as pegs on which to hang their preconceived notions." This seems to be true even of book reviewers.

When a fellow consigns his thoughts to the keys of the typewriter he hopes that something will come out which

will convey these thoughts to somebody. The question he cannot forget is, "*Whom* am I writing for?" For, except in the case of a private diary, kept to refresh one's memory or to indulge one's nostalgia, all writing presupposes reading. The author, then, must consider the education, the mental capacity and the receptiveness of a particular readership. When you write a letter to Aunt Jane you select ideas and shape your language to suit Aunt Jane, which is quite different from the ideas and language you put into an application for a job. When you write for a wide audience you aim your shots at a composite person, a creature of your imagination, which must be quite unlike any one of your readers. You cannot possibly know the prejudices of all your readers, the emotionalisms that block their understanding, and cannot take them into consideration in framing your sentences; the best you can do is to appeal to their reason, their sense of logic, and rest your case.

There is another question the writer frequently puts to himself: "*Why* am I writing?" If the answer is "for money" then he has no problem except that of mastering the necessary skill. That detail taken care of, all one has to do is to study the market and start manufacturing for it; studying the market involves the reading of mass publications and ascertaining what kind of stuff the editors want. The job is quite similar to shoemaking, running a grocery store or operating a bank. Success comes to those who serve the largest market.

But, if the writer answers his "why" with "because I have something to say" he starts with a premise that prejudices his purpose. Maybe nobody wants to hear what he has to say; maybe what he has to say is two steps ahead of the

capacity of his expected audience or proves upsetting to their mental complacency. Thus, what chance for publication in a law journal would a thesis have if it undertook to prove law to be a fraud and lawyers to be charlatans? The doctrinaire socialist could hardly stomach an argument for the free economy.

The writer who "has something to say" is under obligation, then, to write "for himself." He must write his piece and hope for a readership. And he must pray that it will be large enough to at least pay the cost of printing and postage. That is true even if the editor of a publication will take a chance on running his piece; if what he has to say does not interest or entertain a sufficient number of readers, the editor is on the spot.

And so, I wrote "for myself" for seven years, after which I merged *analysis* with another struggling publication (which was also out of sympathy with the going order), known as *Human Events.* There was at least a living to be had out of the merger, and for four years I continued to write pretty much as I pleased for that publication. Then came a two-year editorship of *The Freeman*—a name that kept popping up ever since Albert Jay Nock first used it on the masthead of his intransigent publication of the 1920's. Some of the essays written during these years appeared in a compilation called *One Is a Crowd;* others are included in this book.

CHAPTER VIII

About Socialism and Socialists

I WAS A SHAVER of ten or twelve when, on doing errands for my father, I ran into Grand Street. That was, and is, a thoroughfare in downtown New York, but in those days it was an institution, made so by a number of establishments along the street called "coffee saloons." These, I presume, served other foods, but when I patronized them in the afternoons they purveyed only mugs of coffee and hunks of cake. The customers, or habitués, seemed to be less interested in eating and drinking than in arguing the metaphysical notions of Karl Marx or Kropotkin.

Each of these establishments acquired a character of its own, deriving from the particular ideology advocated by its clientele, or from an interpretation of that ideology enunciated by some self-appointed pundit who had got a following. There was at least one "saloon" which only the true believers frequented, their principal pastime, aside from discussing moot questions in Marxist "science," being to castigate the revisionists, who held forth in another "saloon." The latter, who called themselves Social Democrats, spent most of their time proving to one another the correctness of the reforms they had concocted; incidentally, they must have been right, for most of the reforms were

later taken over by the Democrats and then by the Republicans. But, on the whole, these socialists were evolutionary, rather than revolutionary; they dreamed of the day when capitalism shall have decayed, from its internal deficiencies, when a mere push from the proletariat will topple it. They were willing to let the immutable forces of history do the job, and contented themselves with talking; there was little inclination to help the forces of history along. That was long before Lenin came along with his doctrine of dynamism.

There are very few of the Grand Street type of socialists around these days, either in this country or in Europe, except, perhaps, in the Kremlin. Gone are the doctrinaires, the "scientific" socialists, with whom I delighted to argue on the campus of Columbia College, or whom I heckled on the soapbox in Union Square, New York. They have disappeared not only because the measures they advocated have largely been accepted and have been institutionalized, but more so because their theoretical position has been undermined by experience. There are therefore few to say a good word for the laboriously manufactured labor theory of value, or to give even lip service to the Marxist many-worded theory of surplus value, which was the keystone of his theory of exploitation, which in turn was the basis for his indictment of capitalism. The Russian "experiment" has shown that the state can be built on the bones of the proletariat, as well as on the bones of capitalists, and his "withering away of the state" theory has gone the way of all his notions. There is nobody to argue with, and all the hours I put into *Das Kapital,* for the purposes of dialectic, now seem

to have been wasted. Too bad, for I did have a good time with these socialists.

But, that is the way of empirical knowledge: it makes a mess of theories confidently advanced by long-winded economists and ivory tower social scientists. Capitalism, without benefit of a theory, and operating solely on the mundane profit motive, has disproven Marx on every point. To be sure, the economists of the Austrian school had done in the labor theory of value — that the value of a thing is determined by the amount of labor put into producing it — by showing that value is entirely subjective and has no relation whatever to labor; but capitalists did it in their own way; when people wanted a thing and were willing to pay for it, the capitalists made it, and when there was no demand for a thing it simply was not made. That is to say, the consumer puts a value on what he wants. The surplus value theory had it that capitalists paid labor subsistence wages and retained as profits all that labor produced above this subsistence level; but capitalism proved that wages come out of production, and that the more capital is used in production the greater the output of labor and therefore the greater its rewards. Capitalism has raised wages, not lowered it, as Marx predicted. So much so, that the worker with a washing machine and an automobile has lost every vestige of "working class consciousness." He even plays golf.

It took capitalism almost a hundred years to demolish "scientific" socialism by the pragmatic method, but it did so thorough a job of it that *Das Kapital* has been laid to rest without a requiem. Even the nationalization of industry, once given the top priority of all socialistic programs, has

lost its appeal. In England, the labor unions, which furnish the bulk of the finances for the Labor Party, have given up on nationalization for two reasons: first, in a strike against a privately owned industry the government can be called in as a mediator, and the government can always, for political reasons, be counted on to favor the strikers, while a strike against a nationalized industry is in fact a strike against the government, or a revolution, with questionable results; secondly, the inefficiency of a bureaucratically controlled industry is too evident to warrant even discussion. The German socialists, heretofore the most valiant of Marxist protagonists, have declared that nationalization is to be resorted to only if it advances "socialistic ends"; otherwise, industry can be left in private hands. The fact of the matter is that the condition of the workers has so improved under a free economy that they do not relish any change, and the theoretical socialists, anxious for votes, have had to change their theory to suit their following.

So, what is socialism without Marx? I put that question to an official of the French Socialistic Party and received this answer: "Marx could not have anticipated the great technological advances of the past century and, therefore, while his theories were correct in his day they do not apply to present conditions. Nevertheless, Marx did much for the working class movement in his time and he still gives our movement direction and inspiration." That is to say, there is no theoretical position for socialists, no postulates to guide them, and they must "play it by ear." As a matter of necessity they are reduced to expediencies and have therefore become mere politicians, not revolutionists. In every country the socialists have become office seekers, aiming to

get hold of the reins of government by parliamentary methods, and for no other purpose than to enjoy the prerogatives and perquisites of office. Power for the sake of power is their current aim.

Well, how does one acquire power in a country ruled by popular suffrage? By promising the electorate all their hearts desire and by being more profligate with promises than the opposition. Thus, socialism has become mere welfarism, and with welfarism comes control of the national economy. But, while Marxism aimed to control the economy for the purpose of destroying capitalism, modern socialism seems bent on controlling the economy for the sake of control; even advocating something called a "mixed" economy, partly free and partly controlled.

In short, socialists everywhere have adopted the program of American "liberals." In Europe, those of the socialistic persuasion still maintain their allegiance to the name, since there the word "liberal" still retains its original meaning, as defining one who would remove laws, not proliferate them, while the socialistically-minded in this country have perverted the word into its opposite meaning. But the European socialist and the American "liberal" are both energumens for government intervention in the affairs of men, both have an overpowering desire for power, and both offer to buy votes with tax money. The programs and the tactics of the two are identical. And neither has any theoretical position, any philosophy of either government or economics, by which they can be judged. Both are opportunistic.

Returning to Grand Street; at that age I could not follow the reasoning — if it can be called reasoning — of the various pundits who held forth in these "saloons," but I did

acquire a dislike for socialists that has hung onto me ever since. A child is guided by his instincts, which are packaged in its little brain when he comes into this world. Just as his bundle of muscles may be developed along certain lines, or his senses sharpened by practice, so may his instincts (or temperament, if you wish) be refined or trained by education; but, trained or untrained, the original stock manifests itself in his reaction to his environment, and this reaction remains constant. That is why there are, in degree of devotion or adherence to doctrine, all kinds of Catholics or Jews, and all sorts of Democrats or Republicans. That is what we mean when we say that the boy is a "born" mathematician or a "born" politician. His instinct inclines him toward a given body of thought, and no amount of argument or education can wean him away from it. He will drift toward that body of thought no matter what influences are brought to bear upon him simply because of an intuitive, built-in inclination toward it.

Socialists are born, not made. (And so are individualists.) In a way, the basic urge toward socialism is in all of us, since every one of us is inclined to impose our set of values on others; we seek to "improve" the other fellow up to our own particular standards. But, most of us will try to "elevate" the other fellow and, meeting resistance, will give it up as a hopeless job. The socialist, however, has an intuitive urgency for power, power over other people, and proceeds to bolster this urgency with an ethic: he seeks power for a humanitarian purpose. He would "elevate" all mankind to his ideal. Since the individual does not wish to be "elevated," and lays claim to something called rights, the socialist undertakes to prove that the individual does not exist, that an amorphous

thing called "society" is the only fact of reality, and proceeds to impose his set of values on this thing. Having made this discovery — that society is something greater than the sum of its parts, with an intelligence and a spirit of its own — the socialist dons his shining armor and sets forth on a glorious adventure for its improvement. He works for the "social good" — which is what he wanted to do since first he became aware of his instinct.

I have never met a dedicated socialist who did not consider himself a leader — if not at the top of the revolution, then at least as commissar of toothpicks in the ninth ward. He is not a replaceable part of the thing called society, but was destined, at birth, to be a regulator of this thing. This desire for power is quite common, even among nonsocialists, but while others seem willing to win their spurs according to the rules of the market place, the socialist claims the sceptre because he has a mission. He is of the anointed. In this respect, the socialist is no different from the millions of bureaucrats who now infest the social order; the bureaucrat is, like the socialist, a ruler by natural selection.

Environment or education have little to do with the making of a socialist. He may come from a wealthy home, where all his training should incline him toward capitalism, or he may come from the slums. In point of fact, many of the leaders among the socialists, those who do most to advance the cause, are inheritors of great fortunes accumulated under capitalism. It is sometimes claimed that their urgency to destroy the system stems from a sense of guilt; they feel, according to this theory, that they are not entitled to the riches they have inherited, that the riches stemmed from an iniquitous system, and are impelled by

this sense of guilt to dedicate themselves to the destruction of the system. I do not hold with this theory, and I point to the fact that only a few of these scions of great wealth become socialists, while the great majority put their money to productive enterprise or consume it in luxurious living. These few were born with an innate compulsion to socialism. There is no other way to account for their idiosyncracy.

Education merely supplies the words and ideas that fit in with the primordial inclination of the socialist. He will accept at face value all the theories, all the figures and charts supporting his preconceived notions, and will reject offhand any arguments or data that support the idea of individual freedom. You cannot teach anybody anything that he does not in a real sense already know. A class of freshmen can be subjected to all the litanies of the socialistic creed; the majority will take in what they are taught for the purpose of getting a passing grade, but a minority will thrill to the instruction, while a still smaller minority will in their hearts reject it. Those who respond favorably to the instruction came intuitively prepared to do so, while those who find it repulsive were likewise instinctively opposed to it. On the other hand, give a course in classical economics, or teach a group the meaning of natural rights, and some, though they have absorbed all the words of freedom, will come away entirely unconvinced. Some emotional blocking prevents the ideas from taking root. And this is also true of all the collectivistic professors; they read all the books which the individualist holds most dear, but the reading leaves them cold to the ideas; they are collectivist because nature inclined them toward collectivism.

It is true that by far the majority of our educators are so-

cialists. But this follows not from the fact that they were educated in the creed, but that most of those who go into the pedagogical business are by nature inclined toward it. Teaching is by general acclaim a noble profession, getting that reputation from the fact that its practitioners generously and without expectation of monetary rewards undertake to inculcate values in the young. But, it is also a profession that is removed from the disciplines of the market place and as such appeals to those who find these disciplines distasteful; they have no liking for the higgling and haggling of the market place, no inclination to enter the competitive field. Since our educational system is largely dominated by government, and is therefore monopolistically controlled, it attracts those who favor that kind of control; that is, it has a lure for the socialistically minded.

Our current crop of college professors was attracted to the profession during the New Deal. Then it was that President Roosevelt welcomed into the bureaucracy a host of professors bent on trying out, at the taxpayers' expense, some ideas on "social betterment" which they had whittled out of words, and the opportunity thus offered to "do something about it" attracted a number of young men and women (because they were inherently socialists) to teaching; it seemed the right way to get into the bureaucracy, where one could help fix up the world. That is really where they belong, in the bureaucracy, for that is where one gets clean away from the market place. However, vast as is the bureaucracy there is not room in it for all the professors, and many do not have even the solace of temporary employment on government projects; most must remain on campuses for the rest of their lives, and they make the best of it by im-

posing on their students the values acquired during their own student days. They are still New Dealers; in fact, they inherited the instinct.

One more bit of evidence to support my thesis that socialism is intuitive, not acquired, is my experience with ex-socialists and ex-communists. I have known a number of them and, with one exception, though they had dropped theoretical socialism they were all for government intervention; even that one exception was for our undertaking a "preventive war" with Russia. All of them were intellectually honest men and rejected Marx on the basis of evidence and the dictates of logic; all of them were revolted by the immoralities of Sovietism. Yet, they could not accept wholeheartedly the principals of laissez-faire economics, nor could they subscribe to the idea of negative government. They held to the notion that government ought to intervene in the market place, for the "social good," that political power could be exercised for the benefit of mankind. They were socialists in spite of themselves. They gave the impression that if only they were in command, socialism would work out all right. Other doxies were heterodox, but theirs was orthodox.

Since socialism is so well institutionalized, since it is the going order, introduced through democratic methods, it might be claimed that almost all, or at least the majority of the people, are socialists. That is not so. The average person is not the least bit interested in any ideology, being content to get along as best he can under any conditions imposed on him. To be sure, almost everybody is enticed by the prospect of something for nothing, and since that is what our socialists—calling themselves "liberals"—offer, almost

everybody is willing to go along with their programs. Taking a gift does not, however, entail acceptance of the donor's philosophy. The proletarian and the plutocrat will both accept a handout without regard to consequences, thinking only of immediate enjoyment and disregarding the motives of the donor; welfarism does not commit the welfaree to any ideology.

In point of fact, it is the human capacity for adjustment that the socialist counts on to advance his cause. He lures the unsuspecting public by his offer of something for nothing and when they become inured to its acceptance, so that they consider it a "right," he proceeds to burden them with additional gifts, the acceptance of which becomes easier with each new donation. His motive is to institute a regime of Statism, in which a bureaucracy regulates the market, plans the economy and regiments the people. But, he gets there by degrees, basing his program on the capacity for adjustment, rather than on the conscious acceptance of his ideal. That is how our "social security" scheme has developed; starting in 1935 with old age "insurance" for a limited number of persons, it has widened its coverage, increased the emoluments, compelled others to come under its aegis, and, of course, increased taxes; it will shortly include medical services for oldsters, from which will come socialized medicine for all.

I have seen welfarism introduced as a temporary measure, intended for relief of the masses during the depression, and have watched it grow into a permanent policy of the nation, so much so that even to question it is to draw down on oneself the opprobrious name of reactionary. In twenty-five years it has come to pass that one out of every six Americans

is the recipient of government handouts of some kind, and the number is growing. To be sure, the very beneficiaries of the system pay for what they are getting, in taxes and in inflation, and they pay in addition the cost of administrating the collection and distribution of the largess. Of course, it has all been done by the democratic process, by voting into office men of a socialistic bent, and, democracy being what it is, the process of socializing the country cannot be stopped. A people can vote themselves into slavery, though they cannot vote themselves out of it.

CHAPTER IX

The National Swindle

WHEN I WAS MARRIED, in 1909, I earned eighteen dollars a week, and my wife managed to pay all the household bills and save a few dollars every week from this salary. But, then, as she reminded me no end of times, steak was eighteen cents a pound in those days. And I myself can remember making my midday meal on a mug of beer and a liberal "free lunch" sandwich for a nickel. While I earned more by the beginning of World War I, before Woodrow Wilson got us into it, the cost of living remained about constant and my wife indulged in certain luxuries. It was only after our government had begun to print and sell the misnamed Liberty Bonds that my wife began to complain about the price of steak and other things. Her complaints continued to mount for fifty years, with increasing emphasis.

Much has been written about inflation, particularly about its causes, and, like many another evil to which we become accustomed, there are those who maintain that it is nothing to worry about; in fact, in recent years inflation has been extolled as desirable. Yet, it is nothing but legal counterfeiting. Despite the persiflage with which the act of creating new money (or bonds, which is the same thing) is currently adorned, it is exactly like the clipping of coins

and surreptitiously making new money out of the clippings, or like the infusion of cheaper metals into the minting of gold or silver coins, practiced by princes since the making of money was monopolized by government. It is a way governments have of meeting bills that, for political reasons, cannot be met by taxation. It is sheer dishonesty, a bold-faced robbery of the thrifty, a surreptitious tax. If there is any need to prove that the interests of the government are not those of its citizens, inflation supplies that need.

High prices during a war are inevitable. That is because the military consumes a large part of production, which in turn is reduced by the fact that many producers are engaged in making war. Many of the workers who would be producing the things people want are put to producing the things of war, which do not satisfy human desires. Yet, these non-productive workers have, in spite of the war, certain desires that call for gratification — food, raiment and shelter, to say nothing of beer and entertainment — and are in possession of wages with which to pay for these scarce items. A truly patriotic people would forego these gratifications willingly, and might work for wages that would buy them mere subsistence. That would hold prices down considerably. But, patriotism is something to talk about, a luxury of the spirit, for which one should not be expected to pay; during war, wages are actually forced up by the disparity of the demand for and the supply of labor. The increased wages then go to market to bid up the prices of the scarcities.

The government, having no other source of revenue, obtains the money with which to pay these workers by taxing the workers themselves, but not enough to meet the entire

wage bill; that would be politically undesirable, meaning that the workers might show resentment over such a demand on their patriotism. So, the government makes up the deficit by borrowing from savers and giving them receipts for such borrowings. The receipts, or bonds, have a due date some time in the future, and, in addition, bear interest. It is said that the bonds help to pay the cost of war. But, this is not so. The war is paid for with the things that are produced during the war. The food the soldiers eat is grown and processed as they fight, and the shells they shoot are likewise made while the war is in progress. In short, the war is paid for out of current production. There is no way to shoot shells that will not be produced in twenty years, nor to eat bread that will not be baked until long after the war is over. We pay as we fight.

What, then, are the bonds for? They are merely claims on future production, issued to the owners of the things used up in the war, and which they would not give up even to save the country from defeat without this compensation. The government takes what it needs to prosecute the war —that's the only way—and hands over these interest bearing receipts as a sop to patriotism. If it did not offer these claims on future production in exchange for what it needs of the current production to carry on the war, well, the resentment might cause the war to be called off; patriotism that isn't paid for might be diluted.

Prices started to rise before we got into the war. That was because of the scarcities created by our shipping of food and manufactures to the nations already engaged in the conflict, but the higher prices were offset by the payments received from these nations; only their taxpayers suffered in-

convenience. The disparity between the cost of living and wages in this country was seriously felt after we got into the war, and was accentuated by the issuance of the Liberty Bonds. Incidentally, the bonds sold so well not because of the patriotic fervor of the buyers but because the prospect of receiving interest payments was assured by the fact of the income tax, which had become law only a few years before the advent of war. When the Civil War broke out Lincoln tried to raise five millions of dollars through a bond issue that bore a *twelve percent interest rate,* and only about two-thirds of this issue was taken up; that was because he lacked an income tax or any tax measure that would assure the bondholders of receiving the promised interest. Woodrow Wilson, however, was under no such handicap; the income tax amendment was put into the Constitution during his first year in office.

Now, bonds become money. In fact, the imprint of the government of the United States makes them money as soon as issued, for that alone gives them purchasing power. True, it is hard to buy a penny newspaper—a penny was the price of a newspaper in those days—with a hundred dollar bond; but one can borrow from the bank plenty of pennies with the bond. The proceeds from the sale of bonds were used by the government to pay for war materiel at prices figured on the then value of the dollar; that is, on the value established before the dollar depreciated as a result of the issuance of bonds. It was only after the bonds got around, were turned into cash, that a swindle was discovered; the very infusion of this new money into the economy reduced the value of all the money in existence, meaning that the cost

of living had risen. I remember that within a year after the conclusion of the war I was forced to cash in my hundred dollar Liberty Bonds to meet some pressing expenses and had to sell them at a twenty percent discount. Those who held their bonds until maturity got even less, for by that time the purchasing power of the dollar had further depreciated, and though they got from the government the face value of their bonds, plus interest, the proceeds fetched them far less in goods than they would have received for the dollars they had put into these bonds. That I call a swindle.

There are those who equate inflation with high prices. That is like maintaining that the wet streets caused the rain to fall. Prices may be high because of an increase of demand for certain commodities, or a decrease in the supply with demand remaining constant. Or they may reflect an increase in wages effected by the unions utilizing their monopoly powers. But, high prices due to increased demand can only be temporary, until suppliers, attracted by the high prices, are able to meet the demand with either the scarce article or with a satisfactory substitute. The same is true where the supply is diminished, as in the case of a crop failure. As for the high prices caused by uneconomic wage demands, the consumer turns to some other product or service not so affected and the unions have only priced their members out of jobs. In these cases the prices are eventually brought down by economic forces. But, the high prices caused by the infusion of new money into the economy is something else again; so long as the money remains in existence and in circulation, there is no way of bringing them down. For, everybody has a lot of money

and everybody bids accordingly for the goods in the market place. Demand remaining, the high prices caused by inflation cannot be brought down.

Only the government can cause inflation, for only the government has the privilege of printing money; any private citizen trying it is courting a jail sentence. Perhaps the greatest monetary swindle in this country was perpetrated by Franklin D. Roosevelt when he abolished the gold standard in 1933. Now, there is nothing sacred about gold or a gold standard. But for several thousand years the metal has been universally used as a measure of value, and all peoples everywhere have shown a willingness to accept it in exchange for the goods or services they have to offer. It is this confidence in the exchangeability of gold, a confidence that dates back to the days before governments monopolized the making of money, that found expression in the gold standard; the government's paper money, certainly more convenient than metal money, was accepted on the condition that the holder could exchange the paper for gold. A relationship between the amount of gold in the government's possession and the amount of paper money it could issue was set up. This was a restraint on the printing presses. If the politicians went in for a spending spree and authorized the printing of dollar bills (counterfeiting) with which to defray the costs, the people could detect the fraud and take measures to stop it; for the holders of the dollar bills, realizing that these bills no longer fetched them the same amount of goods and services as they did before the fraud was perpetrated, could demand gold for the paper. Thus the government's hands were shackled.

It was this restraint on his proposed profligacy that Mr.

Roosevelt removed by abolishing the gold standard. By making the possession of gold a criminal act, he removed the possibility of the individual holder to demand gold in exchange for government paper, and thus opened the way for the printing of almost as much paper as he needed to pay for all his ventures in socialism. But the issuance of more dollar bills lowered the purchasing power of all the money in existence and had the effect of robbing the thrifty of their savings. Even the holders of government bonds were cheated, because the dollars they received at maturity were worth far less than the dollars they originally put into these government "securities."

Nevertheless, this inflationary hocus-pocus helped to reelect Mr. Roosevelt three additional times. He used this bogus money to "enrich" large segments of the electorate who, thankful for this largess, reciprocated by casting their ballots for him. Although the manipulation was done in the name of humanity under the pseudonym of "social security," it was in fact a way of buying votes. And this has remained standard political practice since the departure of Mr. Roosevelt; every candidate for high office now deems it necessary to promise to distribute large chunks of manufactured money (of constantly decreasing purchasing power) to favored groups in return for their suffrage. The end result of this practice must be a loss of confidence in money, so that people will refuse to accept it in payment for goods or services and will return to a primitive barter system; but that eventuality is a far way off, and the politician, like the recipients of the subsidies, thinks only of the immediate profit of inflation, without regard to the effect on the economy of future generations. Any kind of economics

is sound economics so long as it elects. Nor is there lacking confirmation of this theory by professorial economists who, having accepted the premise that economic law and political practice are identical, come up with long treatises and longer books in which they defend inflation.

Yet one cannot account inflation dishonest unless one assumes that the political mind is normal and that political behavior is bound by the moral code that applies to ordinary people. Such is not the case. The fact is that the political mind is *sui generis* and operates along lines that are indigenous to the business of politics. Just as there is a criminal mind so there is a political mind; neither is normal and, therefore, both must be considered pathological. Whether or not the political mentality is congenital or is acquired, an occupational hazard, is difficult to say, even as it is difficult to prove that criminality is inherent in the criminal make-up. But, it is certain that once a man gets into politics his mind works along obscure ways, none of which fit the ordinary concepts of sanity or probity. When, seeking preferment, he promises to both lower the prices of farm products to the consumer and raise the income of farmers, is he honest or is he sane? If he believes he can perform such a miracle one must conclude that his mind is disarranged. If he has in mind the creation of new money with which to subsidize the farmer, then he is dishonest; unless, of course, he does not know that inflation is dishonest; in which case either his intelligence or his rationality is brought into question.

Similarities between the criminal and the political mind can be adduced aplenty. The bank robber who, when asked why he robbed banks, said "because that is where the

money is," showed the same degree of sagacity as does the congressman who puts a relative on the public payroll, or who wangles a government contract for a business in which he has an interest; both the bank robber and the congressman get where the getting is good. When President Wilson plunged us into World War I he probably believed that he was making "the world safe for democracy;" but, was he not acting under the urging of a subconscious desire for more power, just as a gang leader revels in the domination of his followers? Even the ward heeler deems a sinecure on the public payroll his due, for services rendered the party, even though a similarity between his paycheck and the proceeds of pocket picking is suggestive.

In his private life the politician acts in quite a normal manner and seems to be motivated by moral impulses. He would not, for instance, deprive a widow of one cent of her insurance money. But, in his political capacity he does not hesitate to plug for inflationary fiscal measures which have the effect of robbing the widow of the pittance left by her husband. If this is not a form of aberration, what is it?

CHAPTER X

On Doing Something About It

A YOUNG FELLOW has to have a "cause." Utopianism is as natural a disease for the boy of college age as was measles in his childhood. My malady was anarchism. I don't know whether I took to Kropotkin and Prudhon because they furnished me with arguments with which to refute the socialists on the campus or because they wrote much about individualism, which seems to be ingrained in my make-up. At any rate, I experienced a violent love affair with anarchism, which was terminated only when I looked into the economic doctrines of the various schools of anarchism then extant. All of them took a dim view of the institution of private property, without which, it seemed to me even then, individualism was meaningless. If a man cannot enjoy the fruits of his labor, without let or hindrance, he is enslaved to the one who appropriates his property; a slave has no property rights. Besides, I reasoned, the abolition of private property could be accomplished only by the intervention of an all-powerful State, which the anarchists were so bent on destroying. This incongruity curbed my short-lived passion for anarchism.

Bakunin especially disturbed me. His urgency to "do something about it" with bombs did not sit well with me,

not because I was pacifistically inclined but because I realized no good could come from violence. The bomb-thrower might achieve some change in the government by his tactics, but could he contain the temptation to throw bombs? Could he not use them to acquire and exercise power on his own account? At an early age I developed a distaste toward "doing something about it"—that is, toward organizational and forceful reorienting of society into an image of my own making. I have never been a dues-paying, card-carrying member of any organization, am revolted by any attempt to channel my thinking, and am constitutionally opposed to political action.

I should, of course, like to see society organized so that the individual would be free to carry on his "pursuit of happiness" as he sees fit and in accordance with his own capacities. That is because I assume that the individual is endowed at birth with the right to do so. I cannot deny that right to my fellow man without implying that I do not have that right for myself, and that I will not admit. I claim for myself the prerogative of getting drunk and sleeping off my condition in the gutter, provided, of course, I do not interfere with my neighbor's right to go to the opera; that is my, and his, way of pursuing happiness. How can a third person know that getting drunk or going to the opera is not "good" for either of us? He, or society, or a majority may claim that we, my neighbor and I, have "wrong" values, and might try to tell us so, but the imposition of force to get us to change our values is unwarranted; such use of coercion stems from an assumption of omniscience, which is not a human quality. The best that society can do in the circumstances is to see that one's way of pursuing happiness does not inter-

fere with that of another's—and then to leave us all alone.

That is the way I should like to see society, of which I am a part, organized; but it is not so organized and I find its rules quite distasteful. In the first place, it has instituted a system of taxation whereby one-third of our earnings is confiscated; to the extent of such confiscation the pursuit of happiness is delimited or circumscribed, for one cannot spend (on whiskey or the opera) what one does not have. And then, the spending of this vast amount of money calls for a bureaucracy of proportions, and this monstrous bureaucracy in order to justify its existence pays out largess to favored groups, who must conform to certain regulations and controls in order to get it. Our pursuit of happiness is therefore hamstrung—for our own "good," to be sure.

This I consider bad, wicked, dastardly, and all that. So, I undertake to "do something about it." But, how? Obviously I cannot do anything about changing our tax system all by myself, although I can, if I am so minded, refuse to pay taxes and suffer the consequences; the consequences are a further interference with my pursuit of happiness. My one recourse is to associate myself with like-minded people and hope that we may somehow remove from our statute books the tax laws. To do that we must have a considerable number of minds so determined. We must comb the woods for converts to our cause, for most people are more concerned with making the best of life in the here and now than they are in rewriting the rules for the social order. Only a comparatively few are interested in reform. But, by hard digging and by education we do gather together a goodly number, enough to make their influence felt, who are con-

vinced that our idea is all-wool-and-a-yard wide, and are willing to do or die for it.

Meanwhile, strategy has to be considered. The historic pattern for doing something about it is to confront political power with organized opposition, which, again, is political power. While vengeance is sometimes served by this head-on collision of forces, the record shows that principles remain exactly as they were before the collision. And this is so whether the conflict takes on the form of a violent revolution or of a ballot box battle. The reason for this invariable outcome is found in the necessary technique of political action; there must be a leader, for without one an army is but a mob, easily dispersed. I nominate myself for the job, not because of any particular qualifications I may have, but because my devotion to the idea entitles me to that distinction. Well, then, under my guidance we roll up a sizable vote—for me and presumably for my idea.

But, while heretofore I was a teacher, a propagandist and an organizer, I am now as a legislator confronted with the practical problem of making law. Parliamentarianism blocks my way. And I meet up with conditions and interests that make the changing of law difficult. I find, for instance, that powerful groups have a vested interest in taxation; the veterans are for it and so are the farmers living on subsidies, as are the industrialists whose operations are geared to government income, while the owners of government bonds are most vociferous in opposing my idea. I soon learn that politics is the art of the possible, and it is simply impossible to change the tax structure of the country. So, I think of compromise, consoling my conscience with the thought that

the compromise is merely temporary, and then when conditions are ripe for it, taxation as a whole will be abolished. Besides, I am human and succumb to the temptation to perpetuate my position of prominence; the honorifics of office are most alluring and I agree to the compromise in return for the promise of support from the opposition.

The case of Robespierre comes to mind. He was, as everybody knows, a student and disciple of Rousseau, who was dead set against capital punishment. Yet, when it came to voting on the question of regicide, Robespierre cast his ballot in favor of it, accompanying his vote with a long explanatory speech in which he used another aberration of Rousseau—the General Will—to justify himself. Expediency impelled him to turn Rousseau inside out.

The expediencies of politics plus the frailties of political leaders rule out the possibility of using the political method of putting principle into law. The social order must look after itself; politics and the law will follow the dictates of society, once society knows what it wants and acts as if it wants it. Therefore, to "do something about it" one should concentrate on society and leave politics severely alone; which means education and more education, and ignoring the politician altogether. How such a course might bring about genuine reform becomes evident when we consider the composition of the political machine known as the State.

The weakness of the State lies in the fact that it is but an aggregate of humans; its strength derives from the general ignorance of this truism. From earliest times the covering up of this vulnerability has engaged the ingenuity of the politician; all manner of argument has been adduced to give the State a suprahuman character, and rituals without end

have been invented to give this fiction the verisimilitude of reality. The divinity with which the king found it necessary to endow himself has been taken over by a mythical fifty-one percent of the electorate, who in turn ordain those who rule over them. To aid the process of canonization, the personages in whom power resides have set themselves apart by such artifices as high-sounding titles, distinctive apparel and hierarchical insignia. Language and behavior mannerisms—called protocol—emphasize their separateness. Nevertheless, the fact of mortality cannot be denied, and the continuity of political power is manufactured by means of awe-inspiring symbols, such as flags, thrones, monuments, seals and ribbons; these things do not die. By way of litanies a soul is breathed into this golden calf and political philosophy anoints it a "metaphysical person."

But, Louis XIV was quite literal when he said, "L'état c'est moi." The State is a person, or a number of persons, who exercise force, or the threat of it, to cause others to do what they otherwise would not do, or to refrain from satisfying a desire. The substance of the State is political power, and political power is coercion exercised by persons on persons; the suprahuman character assumed by the State is intended to hide this fact and to induce subservience. The strength of the State is Samsonian, and can be shorn off by popular recognition of the fact that it is only a Tom, a Dick and a Harry.

The anarchists say the State is evil. They are wrong. The State *are* evil. It is not a system that creates privilege, it is a number of morally responsible people who do so. A robot cannot declare war and a general staff cannot conduct one; the motivating instrument is a man called a king or a pres-

ident, a man called a legislator, a man called a general. In thus identifying political behavior with persons, we prevent the transference of guilt to an amoral fiction; we place responsibility where it rightly belongs.

Having fixed in our minds the fact that the State consists of a number of people who are up to no good, we should proceed to treat them accordingly. You do not genuflect before an ordinary loafer; why should you pay homage to a bureaucrat? If a prominent politician hires a hall to make a speech, stay away; the absent audience will bring him to a realization of his nothingness. The speeches and the written statements of a political figure are designed to impress you with his importance, and if you do not listen to the one or read the other you will not be influenced and he will give up the effort. It is the applause, the adulation we accord political personages that registers our regard for the power they wield; the deflation of that power is in proportion to our disregard of these personages. Without a cheering crowd there is no parade.

Social ostracism alone can bring down the top layer of political skullduggery to its moral level. Those whose self-respect has not dropped to the vanishing point will get out of the business and put themselves to honest work, while the degenerates who remain will have to get along on what they can pick up from a reluctant public. Below the top layer there are millions of menials who are more to be pitied than scorned; you find it difficult to scorn the man whose incompetence forces him to the public trough. Yet, if you take the "poor John" attitude toward him you keep reminding him of a higher standard, and you may save him from his own degeneration.

A government building you regard as a charnel house; you enter it under duress only, and you do not demean yourself by admiring its living or dead statuary. The stars on the general's shoulders signify that the man might have been a useful member of society; you pity the boy whose uniform identifies his servility. The dais on which the judge sits elevates the body but lowers the man, and a jury box is a place where three-dollar-a-day slaves enforce the laws of slavery. You honor the tax-dodger and pay your respects to the man honorable enough to defy the law.

Social power resides in every individual. Just as you put personal responsibility on political behavior, so must you assume personal responsibility for social behavior. You think poorly of legislator Brown not because he has violated a tenet of the Tax Reform Society, to which you belong, but because his voting for a tax levy is in your estimation an act of robbery. It is not a peace society that passes judgment on the war maker, it is the individual pacifist. All values are personal. The good society you envision by the decline of the State is a society of which you are an integral part; your campaign is therefore a personal obligation.

You are ineffective alone? You need an organization to help you? Only individuals think, feel and act; the organization serves only as a mask for those unable to think or unwilling to act on their own convictions. In the end, every organization vitiates the ideal which at first attracted members, and the more numerous its membership the surer this result; this is so because the organizational ideal is a compromise of private values, and in an effort to find a workable compromise the lowest common denominator, descending as the membership increases, becomes the ideal. When

you speak for yourself you are strong. The potency of social power is in proportion to the number who are of like mind, but that is a matter of education, not organization.

So, let's try social ostracism of politics and politicians. It should work. Reform through politics only strengthens the State.

CHAPTER XI

Isolationism

WHEN WORLD WAR I broke out in 1914, the Chicago *Tribune* announced with considerable pride that it was sending a parcel of reporters to Europe to "cover" the battles and the capitals of the warring nations. This was something new in American journalism. What had constituted foreign news previously were reports of what royal families were doing, affairs in which peeresses were involved, or a "passion" murder. Most of these stories were taken bodily from the European press. In fact, my wife, before she was married, was engaged in getting up a European "letter" for a news agency with the aid of a pair of scissors and a paste pot. *The New York Times,* with some pretensions to internationalism even in those days, ran on an inside page a column entitled "Transatlantic Cable Dispatches to The New York Times"; it usually occupied about a half page and consisted of stories that could well have been lifted from European papers.

The American press did not go to the expense of sending correspondents to Europe because there was little public interest in European affairs, and as for Africa, Asia and even Latin America, these were places one learned about in school geography. The country was isolationist. The people,

judging from the front pages of the city newspapers, were interested in what went on with the neighbors, in local politics, in crop conditions and the weather. When Congress was in session, which was for a few months in the year, some of the debates were accorded prominence, but not too much; type for a three-column headline had not yet been invented.

The war, when we were finally drawn into it, was something of an adventure for most Americans. Three generations of Americans had come and gone since the country had experienced a full-fledged war; the Indian wars and a couple of "punitive" expeditions into Mexico and Central America were of interest only to the professional army, and the contest with Spain was in the nature of an opera bouffe. The war in Europe was the real thing, brought into every home by means of the draft and involving a new instrument of war, the bond. Woodrow Wilson had glamorized the undertaking by dubbing it the "war to end all wars" and the "war to make the world safe for democracy"; this last phrase had all the earmarks of "manifest destiny," of the duty of imposing our brand of democracy on the benighted peoples of Europe, and thus appealed to our missionary zeal. Yet, the general feeling was that once we had licked the Kaiser we could return to our wonted ways which, in sum, meant isolationism.

After the war, as usual, disillusionment set in. It was soon realized that the conquest of Germany did not mean the end of wars, but was probably the prelude to yet another one, and that our brand of democracy did not sit well with other peoples. The opposition in the Senate to Wilson's League of Nations reflected the attitude of the people who

had had enough of involvement in the tangled mess of European diplomacy and wanted out. For twenty years thereafter pacifism was the ruling passion of the country; in novels, on the stage, in magazine articles and in college lecture halls the theme that war was inexcusable was repeated. The spirit of pacifism was reinforced by a resurgence of American isolationism, the feeling that nothing good could come to us from interfering in European internal matters, and that we would be better off minding our own business. It was this inbred isolationism that confronted Franklin D. Roosevelt when he set out to get us into World War II, and from which he was fortuitously delivered by Pearl Harbor.

Since then, isolationism has been turned (by our politicians, our bureaucracy and their henchmen, the professorial idealists) into a bad word.

And yet, isolationism is inherent in the human make-up. It is in the nature of the human being to be interested first, in himself, and secondly, in his neighbors. His primary concern is with his bread-and-butter problems, to begin with, and then in the other things that living implies: his health, his pleasures, the education of his children, wiping out the mortgage on the old homestead and getting along with his neighbors. If he has the time and inclination for it, he takes a hand in local charities and local politics. If something happens in his state capital that arouses his ire or his imagination he may talk to his neighbors about the necessity of reform; that is, if the reform happens to engage his interests. Taxation always interests him. But, events and movements that occur far away from his immediate circumstances or that affect him only tangentially (like infla-

tion or debates in the UN) either pass him by completely or, if he reads about them in the newspapers, concern him only academically. A Minnesotan may take notice of a headline event in Florida, as a conversation piece, but he is vitally interested in what has happened in his community: a fire, a divorce case, or the new road that will pass through. How many people know the name of their congressman or take the slightest interest in how he votes on given issues?

It has become standard procedure for sociologists and politicians to take opinion polls and to deduce behavior patterns from such data. Yet, it is a fact that the subject matters of these polls do not touch on matters in which the questionees are vitally interested, but are topics in which the pollsters have a concern. Putting aside the possibility of so framing the questions as to elicit replies the pollsters want, the fact is that the pride of the questionees can well influence their answers. Thus, a housewife who has been asked for her opinion on South African *apartheid,* for instance, will feel flattered that she has been singled out for the honor and will feel impelled to give some answer, usually a predigested opinion taken from a newspaper editorial; she will not say honestly that she knows nothing about *apartheid* and cares less. On the other hand, if she were asked about the baking of an apple pie she would come up with an intelligent answer; but the sociologists are not interested in knowing how to bake an apple pie.

The scientist immersed in the laboratory will weigh carefully any question put to him regarding the subject matter of his science and will probably not come up with a yes-or-no answer; but, he is positive that the nation ought to recognize the Chinese communist regime, because he heard

another scientist say so. The baseball fan who knows the batting average of every member of his team, on the other hand, will denounce the recognition of the regime because he has heard that the "reds" are no good. The student whose grades are just about passing will speak out boldly on the UN, reflecting the opinion of his professor on that organization. Everybody has opinions on international subjects, because the newspapers have opinions on them, and the readers like to be "in the swim." That is to say, interventionism is a fad stimulated by the public press and, like a fad, has no real substance behind it. If a poll were to be taken on the subject, should we go to war, the probability is that very few would vote for the proposition; yet, war is the ultimate of interventionism, and the opposition to it is proof enough that we are isolationist in our sympathies. A poll on the subject of isolationism—something like "do you believe we ought to keep out of the politics of other nations and ought to let them work out their problems without our interference?"—might bring out some interesting conclusions; but the politicians and the energumens of interventionism would prefer not to conduct such a poll. Our "foreign aid" program has never been subjected to a plebiscite.

Isolationism is not a political policy, it is a natural attitude of a people. It is adjustment to the prevailing culture within a country, and a feeling of security within that adjustment. The traditions, the political and social institutions and the moral values that obtain seem good, the people do not wish them to be disturbed by peoples with other backgrounds and, what is more, they do not feel any call to impose their own customs and values on strangers.

This does not mean that they will not voluntarily borrow from other cultures nor that they will surround themselves with parochial walls. Long before interventionism became a fixed policy of the government, American students went to Europe to complete their education and immigrants introduced their exotic foods to the American table. But these were voluntary adoptions, even as we welcomed German and Italian operas and applauded the British lecturers who came here to decry our lack of manners. We certainly enjoyed the bananas and coffee imported from Latin American countries, and, while we might deplore their habit of setting up dictatorships, we felt no obligation to inject ourselves into their political affairs; that was their business, not ours.

This was the general attitude of the American people before the experiment in interventionism known as World War I. Before that event, Woodrow Wilson had taken leave of his senses in backing one revolutionary leader against another in Mexico, and had even sent the marines to support his choice; his excuse for opposing Huerta was that that leader had not been "democratically" elected, overlooking the fact that eighty percent of the Mexicans were simply incapable of making a choice, or of caring about it. From that interventionary exploit we garnered a mistrust of American intentions vis-a-vis Mexico which haunts us to this day. But, Wilson's urgency to introduce "democracy" in Mexico was purely a personal idiosyncracy, shared by his political entourage but not by the American people. We cared little about which brigand, Huerta or Carranza, got to the top, and were stirred up only by the fact that a

number of American boys were killed in Mr. Wilson's invasion.

When World War II got going in Europe and it became evident that Mr. Roosevelt was intent on getting us into it, a group of Americans organized the America First Committee for the purpose of arousing the native spirit of isolationism to the point of frustrating his intent. They were for keeping the nation neutral. For various reasons (particularly Pearl Harbor) their plan failed, even though at the beginning they gained the adherence of many Americans. One flaw in their program was a tendency toward protectionism; the anti-involvement became identified with "Buy American" slogans and with high tariffs; that is, with economic, rather than political, isolationism. Economic isolationism—tariffs, quotas, embargoes and general governmental interference with international trade—is an irritant that can well lead to war, or political interventionism. To build a trade wall around a country is to invite reprisals, which in turn make for misunderstanding and mistrust. Besides, free trade carries with it an appreciation of the cultures of the trading countries, and a feeling of good will among the peoples engaged. Free trade is natural, protectionism is political.

The America First Committee's opposition to our entry into the war was based on political and economic considerations. It is a well known fact that during a war the State acquires powers which it does not relinquish when hostilities are over. When the enemy is at the city gates, or the illusion that he is coming can be put into people's minds, the tendency is to turn over to the captain all the powers

he deems necessary to keep the enemy away. Liberty is downgraded in favor of protection. But, when the enemy is driven away, the State finds reason enough to hold onto its acquired powers. Thus, conscription, which Mr. Roosevelt re-introduced at the beginnning of the war, has become the permanent policy of the government, and militarism, which is the opposite of freedom, has been incorporated in our mores. Whether or not this eventuality was in Mr. Roosevelt's mind is not germane; it is inherent in the character of the State. Taxes imposed ostensibly "for the duration," have become permanent, the bureaucracy built up during the war has not been dismantled, and interventions in the economy necessary for the prosecution of war are now held to be necessary for the welfare of the people. This, plus the fact that we are now engaged in preparing for World War III, was the net result of our entry into World War II. Whichever side won, the American people were the losers.

Aside from this necessary political consequence of our involvement, there was the further fact that our economy would suffer. More important than the direct effect of increased taxation was the indirect effect of inflation resulting from the sale of government bonds. Political duplicity and dishonesty reached the heights when these bonds were advertised as anti-inflationary. The prospective buyers were assured that their purchases would (a) help win the war, (b) make them a profit, and (c) avoid inflation; a strange appeal to their patriotism, their cupidity and their ignorance. It is true that the "savings" bonds, which could not be sold or borrowed upon, would delay their inflationary effect. But, when the government redeemed them, at the will of the holders or at maturity, and was unable to

re-sell these bonds to "savers," it would have to resort to borrowing from financial institutions, which would of course demand negotiable securities; these become inflationary. This result could have been anticipated by anyone with a grain of sense; but, during the war this grain was missing and the bonds sold. They sold in spite of an article called, "Don't Buy Bonds," which I published at the time. And the fiscal irresponsibility which the Roosevelt administration practiced before we got into the war was accelerated; it hasn't abated yet.

As isolationism is a natural attitude of the people, so interventionism is a conceit of the political leader. There does not seem to be area enough in the world to satiate his desire to exercise his power or, at least, his influence. Just as the mayor of a town hopes to become governor of his state, a congressman or even president, so does the president or king of a country deem it his duty to look beyond the immediate job of running his country. Necessity limits the interventionary inclination of the head of a small country, unless, indeed, he finds a neighboring small country incapable of resisting his advances. But, given a nation opulent enough to maintain a sizeable military establishment and an adequate bureaucracy, his sights are lifted beyond the borders. To be sure, his interest is always the enlightenment or the betterment of the people over whom he seeks to extend his dominion or influence, never to exploit them. Thus, Alexander the Great offered the benefits of Hellenic civilization to the peoples of Asia, the Roman legions carried *Pax Romano* at the tip of their spears, Napoleon imposed French "liberté, fraternité, egalité" on the peoples of Europe, whether they wanted it or not. Hitler tried to extend the

influence of Aryanism and the late British empire was built on the premise that a taste of English civilization would do the natives good.

"Foreign policy" is the euphemism which covers up this inclination toward interventionism. About the only foreign policy consistent with the natural isolationism of a people would be one designed to prevent interference of a foreign power in the internal affairs of the country; that is, protection from invasion. But, that is too limited in scope to satisfy the cravings of the government of a powerful country. Theodore Roosevelt's foreign policy was avowedly designed to spread among other peoples the benefits of American civilization—even at the end of a Big Stick. Without an income tax, he could do very little beyond the display of naval might to execute this purpose, and the job was undertaken by Woodrow Wilson. It is interesting to note that Mr. Wilson was by persuasion an anti-militarist and an isolationist; yet the exigencies of office induced him to lead the country into war and into the missionary purpose of spreading American democracy far and wide. He failed, partly because the peoples of the world were not willing to adopt the American tradition and partly because he could not break down American resistance to interventionism. It remained for Franklin D. Roosevelt, aided and abetted by a great depression and a great war, to do that. And now that a monstrous bureaucracy with a vested interest in interventionism is in control of our "foreign policy," the nation is committed to a program of interference in the affairs of every country in the world.

Something new has been added to the technique of exporting our culture; instead of sending it abroad at the

point of a bayonet, we (or rather our bureaucrats) are attempting to bribe, the "underdeveloped" peoples into accepting it. But, these peoples, accustomed as they are to their own traditions, their own customs and their own institutions, seem to be unappreciative of our efforts, and the net result of our "foreign aid" program (aside from supporting a free-spending bureaucracy) is to support the politicians of the recipient countries in a manner of living to which they are not accustomed. The current rationalization of this international dispensation of alms is that it is necessary to prevent the spread of communism. But, communism is a way of life imposed on a people by their politicians, and if these, for their own purposes, choose communism, our "aid" simply enables them to make that choice. Meanwhile, the peoples of the world remain impervious to our brand of civilization; their loyalty to their own traditions is unimpaired by our largess; they remain isolationist. Adding insult to injury, they resent our intrusion into their manner of living, call us "imperialists" and impolitely ask our agents to go home.

In short, they ask us to return to that isolationism which for over a hundred years prospered the nation and gained for us the respect and admiration of the world.

CHAPTER XII

The Alchemy of Adjustment

THE ALACRITY with which the American people took to the multitude of interventions imposed by Franklin D. Roosevelt, known collectively as The New Deal, simply emphasized the capacity of the human being to adjust himself to any conditions put upon him. So long as these conditions permit him to live. Within a year after he had got into office Mr. Roosevelt had obliterated the American tradition of self-reliance and substituted for it a new value called "security"; and the people—including particularly those who pride themselves on their initiative, the business men—embraced this new value and all the restrictions that went with it. There was hardly a voice raised against the establishment of a host of regulatory agencies and the laws that spawned them. Like a conqueror, he destroyed the tradition of freedom that had been three centuries in the making, and set up, as if by magic, a contrary manner of thought and life; and the people promptly adopted this new pattern, forgetting all that their history had taught them.

It occurred to me at the time that people are like cats. You take an alley cat into the house and pretty soon he appropriates for himself the best chair in the parlor. The adjustment is easy, and the cat resents any disturbance of

it. Now, if circumstances compel the cat back to the alley he will pretty soon, under the compulsion to live, make a new adjustment to the garbage can, and will snarl when the garbage can is removed; he will snarl and act distrustfully even if you offer him a good meal and a good home. But, it seemed to me, the cat is a cut above the American, because the latter did not snarl at the mess of pottage offered him by Mr. Roosevelt; he grabbed for it, utterly disregarding the noose of bondage that was surreptitiously slipped over his neck.

Of course, the depression facilitated the conquest and the adjustment. The people had become accustomed to their fictitious prosperity, which was nothing but a speculative orgy, and now that reality hit them full in the face, they were unprepared to take it. They were afraid, lost confidence in themselves, and were ready to accept any promise of relief at face value; they were in no mood to analyze the promise or to assess the effect of its fulfillment. In previous depressions, also following speculative booms, they had taken their losses in good grace, pulled in their belts, gone to work and so got out of the troubles of their own making; they were free men and accepted all the responsibilities of freedom. But, Mr. Roosevelt had in his arsenal a secret weapon which had not been available to politicians in the past: the income tax. With this instrument he could rob the people of their substance, dole out subsistence to those who needed it and bail out the speculators; values would be kept up at any cost, either in earnings or in human integrity. That his program involved an accumulation of political power at the expense of social power did not even occur to the perplexed populace. They accepted the shift

without question and settled down to live under the conditions of conquest. They seemed to like the garbage can.

It was a revolution, to be sure, for a revolution is nothing but a shift in power from one set of individuals to another; in this case, the shift was from the people to the political establishment. But, it was done without any apparent violence, effected with grandiose promises, a Harvard accent and a cigarette holder tilted at a studied angle. What struck me at the time was the willing acceptance of conquest by the conquered. Overnight, as it were, they gave up their heritage. And then it occurred to me that in this fact lay a facet of human nature that reformers are wont to overlook; namely, that the will to live pushes us to an adjustment with any conditions that may be imposed on us, provided those conditions leave us with a meal and a mate. Principles, tradition, absolutes are something to talk about, for reformers to play with, but have no bearing on the necessity of living, now. It is this necessity that tends to make us a partner in the status quo, no matter what it is or what it leads to; having made our adjustment to this status quo, we even defend it.

Yet, I could not help thinking about this adjustment to the Rooseveltian revolution. History told me that the urgency to acquire power is inherent in the State, any State. The American State had been held in leash by its peculiar Constitution, adopted at a time when the people were conscious of this urgency and were intent to hold it within bounds. They were particularly aware of the fact that the power of the State is in proportion to its income, and made sure that the State would not go hog-wild by limiting its power to tax. But, within a century new peoples with new ideas came upon the scene and this limitation was removed.

Under the slogan "soak the rich" the income tax was introduced into the law of the land. With this power to dip its hands into the earnings of producers the State would come into its own; that was inevitable. In the confusion induced by the depression (and later by World War II) Mr. Roosevelt, being a sagacious politician, made good use of the income tax to increase political power, at the expense of social power, and by deft management made the people like the shift. Their adjustment to the new mode was made easy.

But, how far would the adjustment go? I knew that more and more power would be acquired by the State, and I knew that in time the people would give up entirely on their tradition of freedom and adapt themselves to the new bondage as if it were their due; the alchemy of adjustment would see to that. Cogitating this thought, in a spirit of fun I came up, in 1945, with the following prognostication:

The Generation Hereafter:
A Colloquy (circa 1990)

Tell me, grandpa, what did you mean when you said your father opened a store. How were such things done?

Gr: When you decided to take a walk this afternoon you went out. You made the decision of your own free will. Well, my father exercised his free will in opening a store.

Boy: There is no such thing as free will; our philosophers prove that. Besides, my taking a walk is a personal matter. The opening of a store must have been economic in nature and therefore of consequence to society as a whole. Accord-

ing to you, such things were done without a by-your-leave from the State.

Gr: All right, I'll try to explain to you how in my father's day an individual opened a store. Follow me closely, because I shall use words that mean something else these days, and many of the ideas will be strange to you. You may interrupt with questions.

Boy: Fine.

Gr: My father had been a clerk in a store since he was fourteen years old. He worked for wages.

Boy: Wasn't he trained for the work in some school, like our Federal College for Merchandising?

Gr: No, he got his training in the store by doing simple jobs at first, like running errands and sweeping the floor. He was an intelligent lad. He learned the business by watching the older folks, and sometimes when it was very busy he would help out with more important jobs, like wrapping bundles or helping the customers to buy—

Boy: The customers could select whatever they wanted without rationing cards?

Gr: Rationing came in with what your history books call the War of Social Reconstruction. We called it World War I. Then came World War II and World War III, after which rationing became a permanent institution. Before that, it was customary for people to buy what they wanted and could pay for. Well, my father was quite thrifty and saved something out of his wages, no matter how small. At the age of twenty-one he had accumulated something like a thousand dollars.

Boy: Could he do anything he pleased with that money?

Gr: Anything. About that time a shoe factory employing

some two thousand employees opened at the other end of the town.

Boy: Like our Federal Footwear Plant No. 72, on State Street?

Gr: It was similar, but it was started by individuals exercising their judgment and free will.

Boy: A private plant? It doesn't make sense.

Gr: I expect not. Anyhow, Dad realized that these workers, many of whom lived near the plant, and others who would move there as soon as houses would be erected—

Boy: By the Housing Commission?

Gr: No, by private builders. We had no federal housing projects before the Great Depression of the 1930's. That was when your socialism was born.

Boy: That's what our history books say.

Gr: Father realized that these workers would want to exchange their wages for goods. The nearest store was the one my father clerked in and that was a mile from the new plant. There was need for a store in the vicinity. He suggested to a builder who was about to put up a house nearby that the ground floor provide store space, and he agreed to rent this space for $25 a month.

Boy: You mean that the two of them made an agreement without reference to a general plan?

Gr: The only general plan was the need of the workers for a service. My father then went to the local bank, where he had been saving his money, and explained to the president—

Boy: A government official, of course.

Gr: Not at all; just a business man. In fact, he had been the owner of a large store, like your Central Distributing

Establishment, only we called it a department store and the government had nothing to do with it.

Boy: Fabulous.

Gr: Dad told the bank president of his plan, and explained that about five thousand dollars' worth of goods would stock it up, that he could get some credit from wholesalers—

Boy: What are wholesalers?

Gr: A wholesaler was a merchant who performed the functions of your Federal Warehouse Administration. But, he had nothing to do with the government, except to pay his taxes. He kept large stocks of merchandise on hand and sold in small quantities to retailers.

Boy: Incredible.

Gr: The bank president recognized in father's idea a sound business proposition—a social need, you would call it—and agreed to lend him a thousand dollars; for which dad gave him a promissory note, payable in six months.

Boy: Why, grandpa, that sounds as if my great-grandfather had the power to issue a bond, just as our government does. But, our government has behind it—

Gr: And my father had behind him his record of ability and industry, and his general good character. So, with the loan and his own savings his working capital amounted to two thousand dollars.

Boy: Capital? That was the instrument of exploitation in your day, wasn't it?

Gr: In my day capital was defined as goods or machinery used in business. It was savings put to work.

Boy: But our book on Historical Economics says—

Gr: I don't understand your books any more than the

authors seem to understand our times. Capital was accumulated savings used to produce things that people wanted. Like machinery, plants, railroads, and so on.

Boy: Why, grandpa, those are instruments of production. When operated by the State in the public good you would not call these things capital, would you? That's a strange use of words.

Gr: Perhaps so. At any rate, my father resigned his job at the store—

Boy: Just like I decided to take a walk?

Gr: Exactly. He gave his employer two weeks' notice. Then he bought goods for his store—

Boy: With the money he saved and borrowed?

Gr: Yes. The wholesalers trusted him for a large part of his purchases. He also put up shelves, bought a counter, and so on, and when he was ready to serve the neighborhood he had an announcement printed and distributed copies among the workers as they came out of the factory. Your great-grandmother helped him.

Boy: And the workers came to buy?

Gr: That's how my father started a store.

Boy: It sounds like a fairy tale. I'll have fun telling the boys about it, but I bet they won't believe it ever happened. I've got to know more about it. There must have been a social stock control system, some estimate of community needs, what these customers would be likely to ask for, since you say there was no restraint on their whims—the whole thing is so fantastic.

Gr: Haven't you a meeting to attend?

Boy: Yes, the monthly council of the Youth of America. Tonight we discuss the proposed State sewerage plan. I'll

see John and tell him the story of your father's store. His grandfather must have told him something about those times.

Gr: John's grandfather is head of the Political News Bureau, isn't he?

Boy: Yes. A very important man.

Gr: In that case he may not remember. Run along now. Some time I may tell you another fairy tale.

In short, the generation thereafter will have become adjusted—to a new way of thinking, to new values, new concepts, even a new tradition.

Shortly after I wrote this prognostication, I took it to the National Association of Manufacturers. The organization, after shifting me around from pillar to post, finally came to the conclusion that it was too strong for them.

CHAPTER XIII

A Problem in Psychology

IN A PREVIOUS CHAPTER I made some mention of the mentality of the politician. Because this subject has always fascinated me, I beg leave to expand upon it, in a speculative way. I have never had the opportunity or the inclination to make an exhaustive study of the mind of the politician, but believe this to be a promising subject for some enterprising psychologist. It might throw some light on the mysteries of political science.

It is a gross exaggeration to say that all politicians are "crooked." The percentage of dishonesty—the sense in which the derogatory word is used—is no greater among those who engage in politics than it is among merchants, doctors or farmers. I daresay that corporation officials are more likely to yield to the temptation of an easy dollar than are office holders, simply because only stockholders are affected and they are not likely to make a fuss over minor peculations if they are receiving their dividends regularly. On the other hand, if a newspaperman gets hold of the fact that the female relative of the public official accepted so much as a mink coat from a tax delinquent, the ensuing headlines give the impression that you cannot trust anybody in public life with a piggy bank. This is not true; you most assuredly can.

In an entirely different sense, the word "crooked" is applicable to all politicians, but it is a sense in which the word is never used. I mean that it is simply impossible for one immersed in the political game to think normally or "straight" —assuming that the non-political mind can be so described. If we accept as normal the thought processes of those who make a living in the market place—the stenographer, the banker or the editor—then the tergiversations of the political mind must be considered abnormal or "crooked."

Coming to the point, the psychology of the politician is obviously quite different from that of the work-a-day producer, and it is this difference that should be explored if we are to understand politics. We Americans, who talk so much about public affairs, will never know what we are talking about until we take into consideration the phenomenon of political psychology.

To illustrate what I mean, and not to invoke invidious comparison, we must assume that there is a political psychology. We take it for granted that the habitual lawbreaker has a "twisted" mentality, assuming, of course, that we who are afraid to break the law are thoroughly sane. In like manner, we should assess the contradictions and inconsistencies of political thought as an occupational hazard. Until we do, or until psychology comes up with a clear-cut analysis of the political mind, we shall never be able to make sense out of the oddities of political action, and the political air in which we are compelled to live will continue to be cluttered up with confusion.

I believe that the psychological study suggested should start with the premise that the political mind is an acquired characteristic. Just as there is no positive proof of an inher-

ent criminal mentality, so we must assume that the politician was quite "normal" before he started politicking. In both cases, environmental conditioning is the basic cause, although something can be said for the thesis that both the politician and the criminal started life with a predisposition for their respective modes of life.

So, psychology must take a look at political science, and ask: what is the preoccupation in the world that produces the mentality under question? The answer is obvious. That world revolves about the making and the enforcement of law; nothing else. The ordinary citizen, who is considered normal simply because he is in the majority, lives *within* the law. The criminal is concerned with the breaking of the law and lives *outside* it. The politician is different in that his thought pattern is shaped *behind* the law. It is in relation to the law that these three environments are distinguishable; the mental habits acquired in each environment are necessarily indigenous to it.

It is a certainty that all three categories of persons have one common denominator: the necessity of making a living. That is the starting point of all human endeavor. The majority of us are, of course, destined to make our living by producing goods and services, and must therefore abide by the rules of the market place. We are not concerned with the law, except as it favors or handicaps our main purpose. We are inclined to make adjustment to it—to live *within* the law—simply because that is the easiest way to get along. And out of this adjustment we develop certain convenient thought patterns, or rules of behavior, which to us seem to be immutable "principles."

For instance, we of the "normal" group declare that "hon-

esty is the best policy." Maybe it is, maybe it isn't, but experience tells us that if we habitually practice dishonesty we lose favor with our fellow men and the making of a living becomes more difficult. The goal of the butcher, the baker and the candlestick maker is to get the most out of life, and though the tendency is to get it with the least expenditure of labor, the competitive world in which they operate compels them to give as much as they receive, and out of that necessity comes the aforesaid "principle."

In the making of a living *outside* the law—in the criminal world—other "principles" take form. To the criminal mind, the highest "good" is the acquisition of other people's property with the least danger of being apprehended. Therefore, the aristocrat in this world is the manager of a mob or syndicate, operating under cover of political protection; though in point of fact he is only an exaggerated pickpocket, he achieves "big shot" status because of the minimum of risk he takes. Thus, it may be said that the first "principle" of the criminal world is "to get away with it." And, it should be noted, the criminal finds no moral difference between his manner of making a living and that of the ordinary citizen or the politician; all enterprise is to him a "racket," differing only in the respect that some forms of "racketeering" are legal and others are not. That's the way he thinks.

Some years ago an accidental observation on an inconsequential incident set me thinking on the subject of the political mind. I was riding in an automobile driven by a police captain, in mufti, and since we were in a hurry he paid hardly any attention to traffic regulations. Twice stern-visaged minions of the law pulled up alongside us to do their duty and each time the world *behind* the law came

into view when the captain flashed his badge. The deference shown the badge, even though the traffic cops were under the jurisdiction of a different state, indicated a tacit understanding among law enforcement agents that amounts to class consciousness.

What differentiates the world *behind* the law from the other two? Simply this, that is it concerned entirely with the acquisition of power over people, criminal or ordinary; its only business is the exercise of the monopoly of coercion which it enjoys. We who are on the other side of the fence talk of government—the name we give to that world—as if it were a specialized service, like doctoring or retailing. It isn't. None of the services that make up our kind of world enjoys the prerogative of regulating others; we either render service of some kind or suffer the consequence. Government, on the other hand, is completely outside the competitive field, and thrives not in proportion to the service it renders but in proportion to the power it wields.

Hence, the proposed psychological investigation must apply itself to a study of the nature of political power in order to ascertain how the exercise of it affects the thinking of those in the business. How does it create that peculiar attitude common to the county sheriff and the national official? Psychology could no doubt find a name for the attitude—I suggest "power complex"—but in the meantime we could describe it as a fixation: the highest "good" is regulation, control and domination. The "principle" evolving from this attitude is that the "law is supreme," meaning that those who make and enforce the law are supreme.

We of the "normal" frame of mind get ourselves into a dither simply because we do not make allowance for this

attitude. We expect a government owned enterprise—like TVA or the Post Office—to be run efficiently, without a deficit; but efficiency in a public business is not reflected in any profit or loss statement; it shows up at the polls. We are apt to apply economic theories to government operations; but the only "sound" economics a politican knows are those that help the "ins" stay in power or the "outs" to get into office. A producing citizen knows that living beyond one's income is an act of bankruptcy; the government, which has a monopoly of manufacturing money, cannot go bankrupt and is therefore untroubled by deficit financing. The voter thinks he votes for a principle or a policy; the politician knows better.

In short, *behind* the law the pattern of thought is different from that which obtains in the "normal" world of law-abiding citizens, or the "abnormal" world of criminals. It may or may not be psychopathic, but it is different.

The psychologist will surely find a number of gradations and variations of this "power complex." Just as the petty thief and the counterfeiter are on different mental planes, though their outlook on life is similar, so there is a marked difference in the attitudes of the customs house inspector and the state governor. Maybe the difference is commensurate with the degree of power exercised by each. But, I am inclined to believe that the thought processes of the bureaucrat and the elected official are so distinct in kind as to constitute major classification. The first thing that strikes you when you come into contact with the appointed official is his peculiar admixture of obsequiousness and arrogance. Toward his superior, his benefactor, he shows a deference that is not different from that of a flunky, while toward the

general public his attitude is supercilious and condescending; he is government, while they are the public. Perhaps a subconscious recognition of his utter uselessness, his parasitical position in life, causes the bureaucrat to so swell himself up. Anyhow, it is an unmistakable characteristic of all bureaucrats, even the lowly receptionist who selects those of the outside world who may be permitted into the sanctum of her superior.

The elected official, on the other hand, is a bit more complex. Often his mind will work almost like that of his constitutes and seems to be absolutely "normal." Perhaps that is because his dependence on votes does not completely separate him from the world *within* the law; he is compelled to keep in touch with it. Yet, if you examine his thinking closely you will find that he and his constituents are worlds apart. They think of him as a man who represents their interests, while he knows in his heart of hearts that his interest is to be elected, or re-elected, and toward that end he finds it convenient to make them think he is all for them; he is out to feather his own nest, always.

At any rate, here is a subject that some enterprising psychologist ought to investigate. He would do the world a valuable service to dig into the political mind and come up with some answers.

CHAPTER XIV

Albert Jay Nock

In New York, in the fall of 1936, I happened in one night at the Players Club. As I sat at a table with a couple of men, I noticed a dignified, elderly gentleman playing pool. He was very deliberate—painfully so to his opponent—in the selection of his shots, and quite accurate, too. At the end of the game he came over to our table, on request, and I was introduced to Albert Jay Nock. I had read much of his writings, in his books and in the Old Freeman and was thoroughly in tune with many of his ideas, which he seemed to sense; we hit it off from the start, and until his death in 1945 we exchanged views and became as friendly as one could be with this reserved though companionable gentleman.

"I have led a singularly uneventful life, largely solitary, have had little to do with the great . . . and no part whatever in their affairs, or for that matter, in any other affairs."

So wrote Albert Jay Nock in the preface to his last book, *Memoirs of a Superfluous Man.* He wasn't being modest; he meant it. He did not believe anybody would be interested in reading about a man who had assiduously avoided making money or acquiring fame or taking part in the current of events. All he had ever tried to do was to get the

most out of life in ways that he had found most pleasurable. He was an intellectual hedonist, entirely superfluous to the utilitarian environment in which he lived.

Therefore, he repeatedly refused to do the autobiography that William Harlowe Briggs, editor for Harper and Brothers, had been asking for. He had always shunned publicity —never gave a word to *Who's Who*—and saw no reason at this late date to let a morbidly curious public in on his personal affairs. But Briggs won him over to the project by making judicious reference to an essay on autobiography which Nock had published some time before. The only good purpose which an autobiography could serve, wrote Nock, was to record whatever philosophy the author had acquired on his way through life; if in so doing he found it necessary to relate experiences that had brought him to that line of thought, then it is permissible to throw them in; but to parade before the public what is none of their business is vulgar.

Thus came his brilliant "autobiography of ideas." Every time Nock brought him another chapter, Briggs told me, he would say, "I don't know why you would want to publish this, Bill, for I am sure you will lose your shirt on it." The editor knew better. His obvious motive was to get another book—probably the last, for Nock had already reached the three-score-and-ten mark—by perhaps the finest stylist in twentieth century American literature. The book had a better sale than any of his previous books, even though every line in it was critical of the prevailing "climate of thought."

Nock was an individualist, and he got that way not as the result of study but by force of temperament. As he would

put it, the "furniture" of his mind was so arranged because no other arrangement would quite fit his mind. A man thinks what he is, Nock would say, and no amount of education can make him think otherwise; the only function that education can perform is to give him the tools with which to bring out of him what "he already knows." He would have no truck with the doctrine of environmentalism, which he described as a false god set up by self-appointed and self-centered priests.

He took to *laissez faire* economics, not because of its utilitarianism, but because of his abhorrence of political interventionism; even if the free market did not yield the greatest results, it was preferable to a regulated one. He was an anti-Statist because he revolted at the vulgarism of politics and its devotees; in his classic, *Our Enemy the State,* he likens the State to a "professional criminal class." He scorned reform movements because they all involve the use of political power which, on examination, will be found at the bottom of the condition the reformers would correct. He was for letting people alone because only under a condition of freedom can they improve themselves, if there is any capacity for improvement in them.

He was completely out of step with the times. But he was not crotchety nor quarrelsome with things as they were; he rather accepted them as inevitable. While keeping as far as possible from the parade, he went his own way through life. In a crowd, if he happened to be in one, he was distinguishable only by his infinite capacity for listening. He was too considerate to refute any statement, even a palpably false one, and too self-respecting to get into controversy. "Never

complain, never explain, never argue," he often said, "and you will get more fun out of life."

It was when you got him alone that you got a true taste of Nock, and I had the good fortune to meet him quite frequently during the last ten years of his life. Over a meal —I was usually ready for coffee before he finished his soup —he would regale you with bits of history that threw light on a headline, or quote from the classics a passage currently applicable, or take all the glory out of a "name" character with a pithy statement of fact. He was a library of knowledge and a fount of wisdom, and if you were a kindred spirit you could have your pick of both.

His gift of parable was extraordinary. Those who are acquainted with his writings know how he could short-circuit a lot of logic-shopping by the use of an apt story; he spoke as he wrote. One night during the war, a group of superpatriots were expounding on the theory of the innate bestiality of the Germans and stressing the need of digging our national heel into the entire race. Nock, as usual, said nothing. Finally, someone called for his opinion. He quietly allowed that he knew nothing of the subject under discussion, but begged leave to tell of an experience he had had in a small German town some years before the war. While waiting for the stationmaster to serve him, said Nock, he picked up an historical booklet about the town. It was written in *alt hoch Deutsch,* which is to modern German about what Chaucer is to modern English. In due time the station master turned to Nock and asked him if he were an American. Assured that this was so, the man expressed astonishment, for he had never heard of an American scholar, let

alone one who could negotiate ancient German. As a result of this chance incident, Nock was lionized during the few days he remained in the town. "In France or England," concluded Nock, "I never heard of scholarship being so highly regarded." There was no more talk of exterminating the German people.

His stock of illustrative matter was garnered not only from a lifetime of travel and interesting associations, but also from the literature of the three "dead" languages, to say nothing of the French, German and English. One evening he cast an appreciative eye on a passing female. I remarked that it was about time he stopped looking. His reply was to quote a passage from the Psalms of David, in Hebrew, referring to the lure of feminine pulchritude.

What did he talk about? Everything, from good eating to literature, from politics to manners in the tenth century. One subject was, by tacit consent, tabu; that was anything biographical. He would not hesitate to bring in, when necessary to the point he was making, some detail of his life, even an intimacy; but it never occurred to either of us to follow that thread. He was a man about whose personal life you simply did not inquire. It was only after I was appointed administrator of his estate that I learned of the existence of two full-grown and well-educated sons. By the way, his "estate" consisted of some clothes, books and uncollected royalties in the amount of $1300. Yet, he had traveled extensively and lived reasonably well.

Nock's brand of individualism came out in full panoply when he discussed education, a subject in which he was keenly interested. He insisted that no fault could be found with modern education if the underlying principle of democ-

racy were accepted as an axiom. That principle holds that not only are we all equal under the law, but that we are also endowed with equal capacities. It follows, then, that we are all equally and perhaps indefinitely perfectible, given equal educational advantages. Public education for all is the way to the perfect society.

But, in point of fact, we find considerable differences in the intellectual capacities of individuals, and these differences make the application of the democratic principle difficult. Yet we are dedicated to the principle and cannot abandon or even modify it. The best we can do under the circumstances is to fit the standard of education to the lowest common denominator, and to keep on lowering it as more and more are invited or forced into the school system. It would be undemocratic to set the standard above the reach of the most unfortunate moron. Everybody can be trained to do something, and so education under the democratic principle had to become utilitarian. Which fits in with the laudable idea that every child is born to enjoy a larger share of the material things of life than did his father. Therefore, the goal of democratic education must be to fit the future citizenry for some trade or profession, and courses in carpentry or domestic science have become more important in the curriculum than courses in Latin or logic.

But, where does that leave the mind that is capable of learning? In the Grand Tradition, said Nock, education was geared to that mind only; the standard was set for it, and if one could not reach the heights, one was not educable and that was the end of it. Though he did not belong to the select circle, he could be a very useful citizen and lead a very happy life. In a material way, indeed, the non-

educable were likely to have the advantage over the others; Spinoza, a highly educated man, earned his modest living as a lens grinder.

The object of education in the Grand Tradition was not to train technicians but to pick out of the ruck those who were endowed with questing minds. It was quite undemocratic, to be sure, in that it took cognizance of an intellectual elite. For that minority breed the democratic system has no place, and anyone suffering from intellectual curiosity is compelled to get his education in any way that he can find outside that system. This theory of the educable elite is of the essence of Nock's individualism.

An evening with Nock on education was a stimulating experience, especially since the conversation was embellished with anecdotes. But if you had any idea that Nock intended to "do anything about it" you were soon set straight. "Things are as they are and will be as they will be," and events will take their course regardless of reformers. The educable will get their education, despite democracy, simply because they are educable. Any attempt to change the democratic educational system is both presumptuous and hopeless.

"Why, then," I asked him as he was setting out on a lecture tour, "do you lecture? Why do you write? Why do you criticize when you have no alternative plan to offer?" His reply: "A fellow does what he has to do."

If he had a favorite topic, it was his theory of political organization. He held that there is a basic difference between government and the State, and it is a mistake to use the words interchangeably. The one is an institution arising

from the needs of society; its function is to protect the individual in the enjoyment of the rights that inhere in him by virtue of his existence; its only business is the administration of justice. On the other hand, the State is an anti-social organization, originating in conquest and concerned only with the confiscation of property. The State began with the practice of nomadic tribes swooping down on some agricultural community, confiscating the movable wealth and, after slaying the less productive inhabitants, carrying off to slavery a number of others. Slavery is the first institution of the State. Later on, the raiding tribesmen, sometimes by invitation, would settle down among the producers as "protectors" and administrators, collecting tribute for their pains. Sometimes a merger between invaders and their subjects would take place, even by marriage, and a nation was born; but the instruments of confiscation were continued, and those who inherited them became the State.

This is, in a way, an economic theory of political institutions. There are two ways of making a living, Nock explained. One is the *economic means,* the other is the *political means.* The first consists of the application of labor to raw materials so as to bring into existence things people want, the second is the confiscation of the rightful property of others. The State is that group of people who having got hold of the machinery of compulsion, legally or otherwise, use it to better their circumstances; that is, by use of the *political means.* Nock would hasten to explain that the State consists not only of politicians, but also of those who make use of the politicians to further their own ends; that would include those we call pressure groups, lobby-

lists and all those who wangle special privileges from the politicians. All the injustices that plague "advanced" societies, he maintained, are traceable to the workings of the State organizations that attach themselves to these societies.

This differentiation between State and government was set down formally in his *Our Enemy the State,* which originated in a series of lectures to a class in advanced history he gave at Columbia University. (Incidentally, he refused the offer of a professorship at this institution because he did not think he could "punch a clock.") In private conversation he would enrich the theory with historical anecdotes and with references to living persons which could hardly be put in print. The book handles the subject of the development of the American State rather gingerly; in conversation he could be more blunt.

To sum up, Nock was an unique individual, both in his ideas and in his comportment. In the best sense of the word, he was civilized; knowledgeable but never pedantic, reserved but companionable, cosmopolitan in his tastes and, above all, a gentleman to whom it never occurred to inflict hurt on any man. He avoided the mass-mind, not only because he thought it most uninteresting, but because he thought nothing could be done to improve it. If there was to be any improvement in society it would have to come by way of self-improvement of the individuals who compose it. So, Nock put in a lifetime bettering Nock, and since he had chosen writing as a profession he concentrated on polishing his style to the point where it became the envy of his contemporaries.

Henry L. Mencken once said to him: "Nobody gives a damn *what* you write; it's *how* you write that interests everybody." That is about the highest compliment one craftsman could pay another. But, it was not exactly true. What Nock said was as interesting as the way he said it.

CHAPTER XV

Flight to Russia

IN THE INTEREST of science fiction, I offer herewith, free gratis, and with no strings attached, the makings of a novel, one that could well make the best seller list and might even be a good book. The fictioneer would have to bring to my idea a reasonable knowledge of the social, rather than the natural, sciences; that is, he must know something about economics, political science and what makes the human tick. If he can dip his imaginative brush into these pigments he could come up with a canvas rivaling Orwell's famous "1984."

The plot, which I will suggest later on, is not startling; just the usual ingredients of romance and adventure. It is the background hypothesis of the story that is so startling as to be almost bizarre—a necessary quality of science fiction —and thus gives promise of attracting attention. The genius of the fictioneer would be demonstrated by his ability to make this hypothesis believable: that America, the land that for over three centuries was the land of the immigrant, had become the land from which the sons of that immigrant were fleeing, and that the point of attraction for them had become, of all places, Russia.

If he has a sound grasp of the social sciences, he could

turn this hypothesis into a plausible theory, and thus assure his product of success. However, I would suggest that he put his prognostication far enough into the future, say 2084, so that if he should go wrong in his estimates he will not be around to suffer the brickbats.

Somewhere in the development of his story he must explain what it was about America that attracted immigrants for so many years, so that the reader will understand why the offspring of these immigrants have turned sour on the land. He must point out, for instance, that the principal magnet of America in the beginning was the absence of governmental restraints; what else did the wilderness have to offer superior to the places they left behind? Those who suffered disabilities imposed on them by their respective governments, or by legally encrusted traditions, picked up sticks and went west. America was the refuge for those who had run afoul of the law, for hounded religious dissidents, for disinherited second sons, for debt-ridden prisoners, for all who had lost hope of rising above the station to which law and custom consigned them. The fact that they "took a chance" is proof sufficient that they had freedom in their hearts.

There was another promise that America held forth during most of its first century of unorganized existence. Except for the indentured, assuming they held to the terms of servitude, these immigrants knew they could keep all they produced; there was no tax-gatherer to claim a share of their earnings. This assurance of complete ownership induced industry and thrift. The immigrants therefore applied themselves to their tasks with vigor and in short order came up with an excess over consumption, a profit, which

they invested in what we call capital: ships and shops and all sorts of devices to improve their output. Unfortunately, when their opulence became evident, the inevitable tax-gatherer showed up, and though his demands were modest they resented his presence and shortly threw him into the Atlantic Ocean. This took some doing—in fact, seven years of war—but, being men of freedom, they thought the effort worthwhile.

However, the immigrants, being wise in the ways of mankind, knew that they could not do without the tax-gatherer forever. Taking a good look in the mirror they detected unmistakable traces of Adam's sin: the desire for something for nothing. Knowing that they could not prosper if they did not set up some external constraint on their larcenous inclinations, they hired, by compact, a policeman to keep the peace. That is, they instituted government. Since this government was, by the terms of its employment, incapable of producing its keep, they agreed to support it out of their wages.

But, they kept that government poor. Their own experience and their understanding of history taught them that built into government is an overweening urge to grasp power, at the expense of the people it is supposed to serve, and that the amount of power it gets hold of is in direct proportion to what it can collect in taxes. Therefore, in establishing their new government they took care to limit its taxing powers; it was permitted to collect import duties and to levy some excise taxes; nothing more. The government's proclivity to do mischief was thus held in restraint.

Besides keeping their government poor, the immigrants wrote into its charter a device for keeping it off-balance

and weak; they were taking no chances. And though this government did from time to time manage to circumvent some of these limitations, it was, on the whole, kept in leash during most of the nineteenth century. There was freedom and men thrived. Security of property released an inordinate amount of energy for the improvement of their horizons, so that before the end of that century—the first under the new government—there sprang up in the erstwhile wilderness a capital structure the like of which the world had never known.

And America continued to be the magnet of the oppressed and the dispossessed of other countries. They came and they built. The Poles came to work in the coal mines so that their sons could go to college and play football; the Irish to build railroads and to help the Sinn Fein movement in the old country; the Swedes, tired of trying to dig a living out of rocks, to farm fertile farm land and to build cities on the prairie; the Germans, fleeing from their Prussian overlords, to open tailoring establishments and banks; the Jews to peddle pots and pans and with their profits to build department stores; the Syrians to sell carpets; the Italians to dig ditches and spread their love of music; and so on. They all came to make their way in life under their own steam, without let or hindrance, which is the condition of freedom.

So things were until the early part of the twentieth century. Meanwhile, the character of the early immigrants gradually lost value because of the constantly increasing abundances enjoyed by their progeny. The human urgency for something for nothing began asserting itself with force; it seemed, in the light of this great productive evidence, that enjoyment without effort was more than a dream, it would

actually be realized. Men being what they are, some had more of the good things of life than others, and cupidity read injustice in the disparity. If only some method of distributing the multiplying wealth could be devised, the inequity would be righted and all would have plenty. Leaders, particularly those with pretensions to intellectuality, not only phrased the thought born of covetousness, but also devised a grandiose scheme of redistribution. That was the Sixteenth Amendment.

This change in the charter of government, as later events showed, really revised the whole thing. By giving the government a first lien on the earnings of the people it undermined the sanctity of private property, which was the keystone of the liberty the immigrants cherished. It was a transference of economic power from the producers to politicians. Those who framed the Constitution had been fully aware of the consequence, that political power is determined by economic power, and were careful to guard against it; but their great-grandsons, overcome by the something-for-nothing mirage, lost sight of the danger.

The shift in power in time undermined the moral fiber of the producers. For, as the inherent avidity of government asserted itself in constantly increasing levies on income, the producers as a matter of necessity began looking to it for succor and for the solution of all life's problems. Self-reliance was submerged in the demand, as a "right," for economic security, for government support and management of the economy by way of subsidies, loans, contracts and jobs. Dependence on the State became a virtue; dependence on oneself was derided as "rugged individualism."

Nevertheless, the tradition of freedom was preserved in the songs and adages of the past, and memory kept the illusion alive. For a long time Americans continued to strive for improvement in their circumstances and, in spite of the government, succeeded; the momentum of custom and tradition dies down slowly, imperceptibly. In large part, the momentum was aided by the ingenuity of the people in evading or avoiding the payment of income taxes; the great preoccupation for many years was to find or make loopholes in the laws, or to devise plausible falsification of income returns. The idea that morality is a relative matter, particularly in dealing with the impersonal State, took hold; for instance, it was considered sagacious and proper to trade one's vote for a promised subvention.

Moral decadence shows itself only in retrospect, long after the corrosion has taken place. And so, Americans drifted along for many years, oblivious of the fact that their country, conceived in freedom, was going the way of other nations which had turned from personal responsibility to Statism. (Up to this point the novelist is dealing with the documented past. The challenge to his imaginative faculty and his knowledge of social and political behavior starts with war in the making.)

Then came war. It was known as World War III, but the fact is there were only two real opponents, the U.S. and the U.S.S.R. The Allies upon whom the U.S. had placed some reliance in the beginning turned out to be too far debilitated by long years of Statism to be of much help in the struggle; in fact, some of them quit before the fighting started. The novelist might develop this point, in detail, but far more important for the central theme (that is, the exodus

of Americans to Russia) is the picturization of the social and political consequences of the war on both nations.

The prosecution of the war and this is an essential point in the development of the thesis—demanded complete abandonment of social power in favor of political power. America had to go totalitarian, ostensibly for the duration, for the survival of the nation was at stake. One does not talk of personal rights and prerogatives when the village is on fire or when the enemy is at the city gates. The Constitution was put into moth balls, private property was abolished, the government undertook to manage, control and direct all production, to fix prices and wages, to ration supplies, to channel all behavior into the main purpose.

In due time the war was over. Attrition brought the struggle to an end, and attrition came to Russia first because of its antecedent experience. The Russians had endured six centuries of economic slavery, four under the czars, two under the commissars. And slaves, as we have noted, are notoriously poor producers. When the stockpile of war material which the commissars had been able to whip out of their reluctant subjects was exhausted in the first weeks after the opening of hostilities, the jerry-built capital structure was unable to provide replacements fast enough to meet the flow from American factories. To this deficiency must be added the apathy and even hostility of the populace; the Russian people had little stomach for war, particularly a war which promised to further entrench the commissars in power. Indeed, when it seemed that the Americans had a better than even chance to succeed, spontaneous fires of rebellion sprang up in the commissars' rear and they were faced with two fighting fronts.

The commissars did not surrender; they simply vanished, knowing full well what the verdict of expected "war crime trials" would be. Their mass disappearance created a problem of proportions for the American government, for there was nobody with whom to conclude a peace treaty. A political establishment is equipped to do business only with another political establishment, not with a people, and the Russian people were too preoccupied with the problem of living to give any attention to political matters. So, the occupation troops had to sit around and wait for orders, while the people took to feeding, clothing and sheltering themselves. They worked hard because that was the only way to survive. Gradually, it dawned on them that there was no government around to rob them of their substance, that they could keep and consume all they produced, and the consciousness of private property gave them additional energy. In short order they found themselves possessed of capital, in the way of goods and tools, small factories making consumer goods, and a thriving market place. Something like a spiritual uplift came to them: hope, ambition, enterprise and the dreams that freedom gives rise to.

There was a social structure, to be sure, for trading has a way of creating a society. The social unit was the village or town, and such common problems as did come up were threshed out at the town hall meeting, with dispatch, since everyone was more concerned with the festivities that invariably followed the "business" part of the gathering. Respected elders took over, by common consent, the juridical functions of the community, and priests did what priests are supposed to do. But, there was nothing resembling a government—no constabulary, no tax collector. Everybody

was too busy doing things to have any concern with politics —a word that carried evil connotation and was associated with the late hated regime. In fact, anyone who dared talk of political affairs was courting social ostracism, which turned out to be most effective in maintaining order; "order" was disassociated from "law." Contracts, mostly verbal, were strictly adhered to because nobody dared to be accused of "talking with a split tongue." Everybody was on his own, though neighborliness did not neglect hardship cases.

And now we come to the point of the story—flight of Americans to Russia. This calls for a plot, with action, an affair of the heart, dramatis personae and all the trappings of a readable novel. In fact, the plot should carry on its back, from the first page, the aforesaid economic, social and political argument; this should be an interesting story, not a treatise. Just by way of suggestion—I am not a novelist—I offer the following outline of a plot.

An American doctor, attached to a regiment in some village, is asked to attend a sick girl who is something of a local heroine, for during the late war she had done in a particularly hated commissar. Of course the girl is beautiful, of course the doctor saves her life, and just as assuredly he falls in love with her. In fact he marries her and when his regiment is ordered home he decides to remain in the village with her. He hangs out a shingle, trade is brisk and profitable, and for added compensation he enjoys the warm acceptance of the community. It should be pointed out that he might have induced his lady love to accompany him to America, but he made no such effort because back home

socialized medicine was going strong and he preferred the prospect of practicing as a free doctor.

The story of the transplanted American doctor reaches home by way of tale-bearing soldiers. It is considerably expanded in transmission, and is embellished with a moral: there is gold in them thar hills. Russia is the place where anyone can make his fortune provided he has "guts." There is plenty of rich farming land to be had for the taking, there are natural resources to be exploited, a great need for enterprise of all sorts. Also, the people are kindly and appreciative, the scenery is beautiful, and so are the girls. Besides, there is no government to harass you or to confiscate your earnings. This is the El Dorado of the twenty-first century.

The American press (still dependent on the government for its paper supply) at first ignored the story of the doctor, mentioning him only in a list of defectors printed in small type. As the volume of word-of-mouth advertising increased, this treatment was replaced by derogatory articles, not only about the doctor but about Russia in general. It was a chaotic and primitive land, inhabited by barbarian individualists, disgustingly unsocial, capitalistic to the core, without any of the advantages (like social security) of life in a well-regulated and well-planned economy. And the weather is terrible. Somehow, however, these articles only whetted the curiosity of many readers, especially since, as the story expands, the doctor is joined by an army of defectors, who seem to be well satisfied with their new life. Credence is added to homecoming soldiers' tales by the government's clamp down on resignations and deserters.

Willingness to believe a rumor turns it into a fact. And

there is great willingness to believe the glorious picture of Russia because of conditions at home. The interventionary powers acquired by the government at the beginning of the war are still in operation because, it is said, a sudden return to pre-war conditions would cause distress. Industry is still supervised by the bureaucracy, labor leaders (with powers to conscript workers) have become government officials, rationing has been firmly institutionalized, there is a scarcity of everything except laws and edicts. About the only way one can rub along is by aiding and abetting the black market, under the aegis of the bureaucrats themselves.

There is no lack of jobs under the compulsory labor laws, and unemployment is equated with absenteeism. Nor is there a shortage of money. Everybody has a pocket full of large denomination notes, which everybody is anxious to exchange for anything tangible. Since money is plentiful and goods are scarce, gambling has become the national pastime. Also, especially among farmers, barter is engaged in wherever possible, even though the laws forbid it.

Altogether, the America that once attracted immigrants has undergone a complete metamorphosis. It is no longer a land of opportunity, although, according to official pronouncements, it is a free country because nobody starves. Most of the people have made peace with the new order —that is, they are too preoccupied with the business of living to pay any attention to public affairs. They even joke about the discomfort of queuing up at the supply stations. Sometimes an old codger will wistfully bring up the "good old days," but his stories are indulgently discounted.

Yet, among the youth the story of the doctor (and his as-

sociates) makes the rounds and stirs the imagination. And the slogan, "Go East, young man" (or, on the Pacific coast, "Go West") arouses the spirit of adventure which is the hallmark of youth.

(Just how the youth manages to go east or west across the ocean is something for the fictioneer to figure out. After all he cannot expect me to work out all the details for him.)

CHAPTER XVI

I Watch Westerns

My wife averred that there must be a touch of sadism in my unconscious; otherwise, why should I be watching those "shooting pictures" as she called them. She may have been right, because when she presumed to turn the dial when a western was on the screen I felt an inclination to commit mayhem.

Another amateur psychologist is a bit more lenient in his diagnosis of my case; he says my addiction to these horse operas is evidence of a retarded mentality. I have a bad case of "juvenilism" he asserts. He may have something there, for when I reflect on the substance of these blood-and-thunder dramas I realize there is nothing in them but entertainment. They add nothing to my fund of knowledge and are singularly devoid of "messages." I think I like to watch them for that very reason; my mind seems to have an allergy to the problems which disturb the socially conscious folks; which proves my "juvenility" I suppose.

And yet, as the saying goes, all things are relative. If I like westerns because of my lack of mental equipment, what kind of TV programs appeal to those who are better equipped? What are the admittedly mature watching? Looking into the matter, I find that they are partial to the polit-

ical speech. They never miss an opportunity to listen to—and watch the face of—the President, a congressman or even the mayor of the town. Anyone who qualifies as "distinguished" will win their attention, and when he has delivered his speech or *obiter dictum* they delight in analyzing his oracular wisdom or in discussing his hidden meaning. Whether he has divested himself of his opinion on domestic or foreign affairs, they have their opinions of his opinion, and then they listen to the opinion of the speech delivered by a news commentator to gain support of their own opinion.

I found, too, that next in the order of preference by these mature persons is a panel discussion of current social and political problems, particularly if the participants are noted for their erudition. They dote on panels.

Now, I admit to some acquaintance with that kind of program. Politeness has sometimes forced me to suffer the political speech and the professorial palaver. But, if I am in control of the dial the ratings of such programs are invariably reduced by one. That is sufficient proof of my inadequacy, no doubt. On the other hand, can it be that the buncombe of political oratory and the fakery that characterizes the discussion of public affairs are on a par with the nonsense of the westerns I adore? If that is so, then the time and thought put into these programs by people with pretensions to intellectuality refute these pretensions. Can it be that they, not I, suffer from juvenilism?

In support of my claim to a measure of maturity, I point out that I am not deceived by my westerns. I know that horses cannot run as fast or as long as do those on the screen, and I suspect that the incredibly fast draw is made faster by some trick of the camera. The high cliff from

which the heroine hangs, in imminent danger, is probably not more than six inches higher than she is tall, and the ocean into which she falls and from which she is rescued by the hero is only a studio tank. Then, again, even as I thrill to the development of the plot, I know that in exactly thirty minutes (with time out for commercials) the "good" guy will overcome the "bad" guy and justice will triumph. Why, then, do I watch westerns? Because I find the action entertaining and diverting—which proves my juvenility.

Then, again, there might be another reason for my partiality to westerns. The characters are rugged individuals, ingenious in their ability to fend for themselves, under all manner of adverse conditions, and asking for help from nobody. Only "bums" will solicit the price of a drink, and these characters are looked down upon. But the settlers do not claim the "right" to be supported by society, and manage to make their way on their own steam. They represent the kind of character that has gone out of style in the country, and yet it is the kind of character we all would like to claim for ourselves. The stories are clean black-and-white stories, without psychological shadings, in which crime invariably is punished. Criminals take their punishment like men, never pleading "temporary insanity" to justify their crimes, and there never is a hint of homosexuality or other psychological quirks in the stories. Nobody tries to "uplift" his neighbor, nobody psychoanalyzes anybody else, nobody preaches "togetherness." Everybody is sturdy, self-reliant and self-responsible. Even the criminal element—the thieves, cardsharps and murderers—ply their trades with audacity and pay the penalty, when caught, like men. The watcher

identifies himself with the hero, hates the villain and cheers when the latter is shot down.

Compare this with the humbuggery of political pontification on the screen. The politician who stands before the "mike" is not interested in conveying knowledge to his audience, only with creating an "image." Therefore, after asserting his undying antipathy toward sin, he proceeds with half-truths and outright lies to convince his audience of his wisdom and his unflinching devotion to duty. His purpose is to impress upon those who listen to him the fact that he is the indispensable man, the gladiator fighting for the interests of "the people," the knight in shining armor who battles the forces of evil. What is the purpose of his speech (written by a "ghost")? To win votes. If he believes his audience consists mostly of laboring men, he will tell them how he fights for the men who toil and against the "interests." If it is the votes of teachers he is after, he will stress what teachers want to hear. For the farmers he has another kind of speech. And the business man he soothes with promises of relief from taxes. And so on. The mind of the politician was delineated by Machiavelli several centuries ago, and nothing has happened since to improve upon or change that picture. What, then, is to be gained from listening to him? Certainly not wisdom, certainly not truth, certainly not knowledge—unless, indeed, one is interested in knowing how he performs, just as one might be interested in learning how a magician performs his tricks. To accord the political speech any serious consideration is, I believe, on a par with a child's belief in fairy tales; that is, it is a mark of immaturity.

Listening to panel discussions is equally silly. This will be seen when the conditions of the performance are considered. Four men and a moderator undertake to expound their view on a subject that could not be covered in less than a good sized book. They have thirty minutes in which to discuss the subject. With time out for commercials, and remarks by the moderator, each of the speakers has at most five minutes in which to put over his ideas. But, the moderator cannot allow five-minute speeches; that would be boring to the audience. So, he interrupts frequently to bring in another speaker, and the end result is a minute for each man, several times during the half hour, to make points. What can he do in a minute? Nothing but wise crack, make some pointed remark intended to show how much he knows of the subject under discussion or to place the others at a disadvantage. There cannot be any continuity of discussion, no orderly development of a theme, only a battle of wits. But, the intent is to give the audience the benefit of the wisdom of the four panelists, or food for thought on an important matter. If the listeners give serious consideration to the panelists, and continue the discussion on the basis of what they heard, they are like children playing house.

The subject matter of the panel discussion usually falls into one of two kinds: something affecting a foreign country, or a domestic policy. Since the majority of the listeners never were in the foreign country, or know little about it beyond what they read in the newspapers, anybody can qualify as an expert. The panelists usually consist of newspaper correspondents, whose knowledge of the country under discussion has been gained by a two-day or two-week residence in it, during which time they spoke to a couple of

local newspaper editors or government officials, and came away with a notebook full of impressions thus gained; that makes them experts on everything from the economy of the nation to its political set-up. Usually, the correspondents carried with them on their visit certain preconceptions of the country and sought out confirmation of these preconceptions. This is what you get from the panel discussion.

If it is a domestic matter under discussion, you are likely to get a prejudicial view of the matter. If the moderator is a "liberal" (he usually is), he will get three panelists of his persuasion lined up against one conservative. The only chance for the conservative in this set-up is to be rude, to interrupt his adversaries, to admit nothing and to deny everything. If he is in the least fair or follows the rules of orderly discussion he will be swamped by sheer numbers, and the moderator will have gotten away with what he intended in the beginning. It might be some fun in watching such a performance, for the sheer delight of seeing a fencing match, but to give the discussion any serious consideration is silly; it is, in short, infantilism.

Returning to my westerns, I am fully aware of the fact that they are only tangentially historical, and I do not watch them to learn anything about the real story of the West. The facts about the "wild and woolly" have been recorded in a number of books, fully documented, and the picture they present is quite different from any stylized television tales. The outlaws, for instance, did not in fact have any code of honor, as they do in TV pictures, but were as grubby, venal, indecent, dissolute and unromantic as our own juvenile delinquents. And, like our delinquents, they were on the whole a cowardly lot, never giving the sucker a

break; they would shoot a man in the back and they were woman-killers if the occasion called for it. On the screen their behavior is sometimes excused on the ground of "bad breaks," even as our psychologists are wont to ascribe the disordered minds of delinquents to unfortunate upbringing; but history reveals them to be just a bad, inherently bad, lot.

The lawmen of the period were only a cut above the outlaws—usually they were "reformed" outlaws who frequently returned to type. The idealism with which the screenwriters endow the lawmen is pure fiction. The westerns which tell about sheriffs collaborating with outlaws are historically more correct than those which picture them as exemplars of the noble life. Even the "decent folk" of the West—including merchants, mayors and bankers—were not above doing a bit of "legal" cattle rustling, land grabbing and plain swindling; the disease of something-for-nothing was endemic then as it is now. The dance hall girls were not the lithe cuties, just out of a beauty shop, that the screen presents, but were the fat, homely, disgusting burlesque type of females—just whores. In short, the real West was coarse, uncouth and utterly unglamorous; it was no place in which to bring up children. The fact that the children who did grow up in that environment eventually did make a decent place of the country utterly disproves the theory of environmental conditioning.

Incidentally, the factual books on the West underline a fact that the script writers only touch upon: namely, that the West was cleaned up—meaning rid of outlawry—not by officialdom but by private enterprise. The public enforcement agent, even as today, was more interested in keeping

his job than in doing it. He was quite averse to risking his life for the good of the community, at the going wage. Far more effective in bringing some sort of order to the West was the fact that every man carried his own government with him—in his holster. That was private enterprise with a vengeance.

Supplementing the private gun were the Pinkerton operatives and the railroad police—private enterprise. It was they who did what government is supposed to have some competence at doing, namely, the protection of life and property. Then, even as now, those who had something of value to protect were more likely to entrust the job to a professional policeman than to a political policeman. Which brings up a thought: would not the persons and the property of the citizens of New York be more secure if entrusted to a private police force? And would not the job be done at less cost to the citizenry?

Putting such questions aside, I like to watch these westerns, and my self-esteem does not suffer by my enjoyment. I feel quite content with myself as I watch the improbable antics of the impossible characters on the screen—and do a cross-word puzzle at the same time.

P.S. I forgot to mention the theory of a third psychologist who concerned himself with my case. He said that my watching westerns was evidence of "escapism." I was running away from something. But, he failed to say what it is that I am trying to escape. Maybe I am running away from psychology.

CHAPTER XVII

Don't Buy Government Bonds

In 1800 the United States Treasury owed $83 million. The population was then three million. Every baby born that year was loaded down with a debt-burden of about $28; if the interest rate was 6%, the new-born citizen could look forward to paying a service charge on the national debt of $1.68 per year. Today the debt-load of the nation comes to well over $290 billion, and the population is, in round figures, 180 million. Thus, while the population has increased by 60 times, the national debt has increased by 3600 times; and figuring the interest rate at 4%, the cost of handling this debt is, roughly, $68 per citizen per year. The child is now loaded down at birth with a debt-load of $1700. . . . These figures might be adjusted to the increased production per citizen, and to the decreased value of the dollar. Even so, the fact sticks out that posterity does not pay off anything of the national debt, that each administration adds to the debt left to it, and that the promise of liquidation implied in every bond issue is a false promise.

The bulk of the rise in the national debt has occurred since 1933, when Franklin D. Roosevelt abolished the gold standard and thus made money redeemable in—money. When money was redeemable in gold, the inherent profli-

gacy of government was somewhat restrained; for, if the citizen lost faith in his money, or his bond, he could demand gold in exchange, and since the government did not have enough gold on hand to meet the demand, it had to curtail its spending proclivity accordingly. But, Mr. Roosevelt removed this shackle and thus opened the floodgates. The only limit to the inclination of every politician to spend money, in order to acquire power, is the refusal of the public to lend its money to the government. Of course, the government can then resort to printing money, to make money out of nothing, but at least the people will not be compounding the swindle. Therefore, I offer the following gratuitous advice:

Don't buy bonds.

The advice is based on purely moral, not fiscal, grounds. I could point out that when the government issues a bond it is diluting the value of all the money in existence. Every bond is, in effect, money: the fact that the indenture bears the seal and imprint of the government makes it so, even though it may not enter the market place as money; it does not become monetized for some time. That is, every bond issued by the government is inflationary, and thus robs the savers of the value of their savings. That, of course, is a swindle and is immoral. But, the immorality of bonds runs much deeper.

In the first place, when the State spends more money then it receives in taxes—a fact indelibly written into the bond —it is deliberately committing an act of bankruptcy. If your neighbor should do that you would promptly put him down as a dishonest person. Is the dishonesty transmuted into its opposite when committed by a legal entity? By what

multiplier can robbery be made a virtue? The act of borrowing against imaginary income is a fraud, no matter who does it, and when you make a loan to that borrower you aid and abet a fraud.

The State's excuse for borrowing is that it invests the proceeds of its bonds for the benefit of posterity. Instead of putting the entire burden of meeting the cost of its beneficial acts on the living it proposes to demand of unborn children their share of the cost. Quite plausible! But is this not the impossible doctrine of control of the living by the dead? What would you think of a prospective father who deliberately put a debt load on his expected offspring? That is exactly what you do when you cooperate with the State's borrowing program. You are loading on your children and your children's children an obligation to pay for something they had no voice in, and for which they may not care at all. Your investment-for-posterity may earn you nothing but the curses of posterity.

The use of the word "investment" in connection with a bond issued by the State is a treacherous euphemism. When you buy an industrial bond you lend your money to a corporation so that it can buy a machine with which to increase its output of things wanted by the market. The interest paid you is part of the increased production made possible by your loan. That is an investment. The State, however, does not put your money into production. The State spends it—that is all the State is capable of doing—and your savings disappear. The interest you get comes out of the tax-fund, to which you contribute your share, and your share is increased by the cost of servicing your bond. In effect, you are paying yourself. Is that an investment?

When you depart from this earth you pass on to your heirs both the tax-collecting bond and the tax-paying obligation it represents. Or, as is usually the case—for the history of bonds is that ownership tends to concentrate in a few hands —if you sold your bond, the new owner in due time passes on to his heirs a claim on the production of your offspring. Your great-grandchildren are called upon to labor for his great-grandchildren. The bond thus becomes a legacy of slavery.

The fact is that posterity never pays off its ancestral debts—or not in the way you are led to believe by the bond-selling State. The present generation is posterity to all the generations that have gone before. Are we paying off any of the debts incurred by our forebears? Hardly. We have spending of our own to do and must leave to our posterity some new debts as well as those we inherited. They, in truth, will do likewise.

Whether or not there is any obligation on the living to liquidate the debt left by an arbitrary ancestry, the political machine prevents its being done. Actual liquidation would necessitate increased taxation, on the one hand, and a curtailment of State spending on the other. Increased taxation the State always welcomes, for any increase in taxes means an increase in State power, and the politicians are always for that; it can never spare a sou for the reduction of the national debt. No State—absolutist or constitutional—has ever put aside its ambitions to make good on its promissory notes. The "posterity should pay" argument, in the light of this historic fact, becomes the equipment of a confidence game.

What, then, becomes of the national debt? It grows and

grows until, like a balloon, it bursts. But, though this is inevitable, thanks to the money-making monopoly of the State, it takes a long time before the balloon does burst, and certain conditions must prevail to cause the explosion.

When the promissory paper of a small nation is held by a powerful one, some semblance of financial rectitude is maintained by means of the marines; the economy of the defaulting State is impounded until the debt is liquidated, and sometimes for a longer period. Internal debts, on the other hand, are never liquidated. When the burden of meeting the service charges becomes economically unbearable, and the State's credit is gone, repudiation or inflation is resorted to.

Of these two methods, repudiation is by far the more honest. It is a straightforward statement of fact: the State declares its inability to pay. The wiping out of the debt, furthermore, can have a salutory effect on the economy of the country, since the lessening of the tax-burden leaves the citizenry more to do with. The market place becomes to that extent healthier and more vigorous. The losers in this operation are the few who hold the bonds, but since they too are members of society they must in the long run benefit by the improvement of the general economy; they lose as tax-collectors, they gain as producers.

Repudiation commends itself also because it weakens faith in the State. Until the act is forgotten by subsequent generations, the State's promises find few believers; its credit is shattered. Never since the Russian repudiation of 1917 has the regime attempted to float a bond issue abroad, while its import operations have been largely on a cash

basis. Internally, Russia does its "borrowing" from its own nationals as a highwayman does.

Anyhow, since honesty and politics are contradictory terms, the State's standard method of meeting its debt obligations is inflation. It pays off with engraved paper. To be sure, even as it issues its new I.O.U.s to pay off its defaulted ones, the inflationary process is on, for every bond is in fact money; like money, it is a claim on production. The bond you buy increases the circulatory medium, thus depressing its value, and you are really exchanging good money for bad. You are cheating yourself. That is demonstrable by comparing the purchasing power of the dollar at the time you bought the bond with its purchasing power at maturity.

As Germany did in the 1920's, the State can make inflation and repudiation synonymous; it can inflate for the purpose of repudiation. This is what is called "uncontrolled" inflation, another impostor term. There is really no such thing as "uncontrolled" or "run away" inflation, because the printing presses do not run themselves; somebody must start and keep them going until the desired end, the wiping out of the national debt, is accomplished. The disadvantage of this process, as against outright repudiations, is that in wiping out the debt it also wipes out the values which the citizenry have laboriously built up; it wipes out savings. However, no nation has ever resorted to "uncontrolled" inflation until its economy has been destroyed by war, until production was unable to meet the expenses of the political establishment, to say nothing of the debt piled up by its predecessors.

But, how about the natural pull of patriotism? In the

face of national danger, is it not right that we put our all into the common defense? Of course it is right; and people being what they are, the pooling of interests is spontaneous when community life is threatened, as in the case of a flood, an earthquake or a conflagration, or when the Indians attacked the stockade. In such catastrophes we *give*, we do not lend. Patriotism weighted with profit is of a dubious kind. Bonds do not fight wars. The instruments and materials of war are forged by living labor using the existing stock of capital; the expense *must* be met with current production. The bonds are issued because laborers and capitalists are reluctant to give their output for the common cause; they put a greater value on their property than on victory. Were confiscatory taxation the only means of carrying on the war its popularity might wane; the war would have to be called off.

This specious resort to spurious patriotism reaches its ultimate in the textbook justification for the public debt. It runs something like this: citizens who have a financial stake in the State, by way of bonds, take a livelier interest in its doings. Thus, love of country is made contingent on the probability of returns, both as to capital and to booty. This smacks of the kind of patriotism which motivated the money-brokers of the Middle Ages; once they invested in their king's ventures they could not afford to become lukewarm in their fealty.

It is not patriotism that is engendered by the borrowing State. It is subservience. With its portfolio chock-full of bonds, the financial institution becomes in effect a junior partner whose self-interest compels compliance. An allotment of bonds to a bank carries force because its current

large holdings might lose value if doubt were thrown on the credit of the State. A precipitate drop in the prices of federal issues would shake Wall Street out of its boots; hence new issues must be taken up to protect old issues. The concern of heavily endowed universities in their holdings of bonds is such that professorial doubt of their moral content could hardly be tolerated. Even the pacifist minister of a rich church would have to be circumspect in voicing his opinion of the public debt. That is, the self-interest of the tax-collecting bondholders, not patriotism, impels support of the State.

Taken all in all, the bond is a thoroughly immoral institution. I would not be caught dead with one of these papers on me.

CHAPTER XVIII

St. Paul and the Communists

The dogma that the State or government is the embodiment of all that is good and beneficial and that the individuals are wretched underlings, intent on inflicting harm on one another and badly in need of a guardian, is almost unchallenged. It is taboo to question it in the slightest way. He who proclaims the goodness of the State and the infallibility of its priests, the bureaucrats, is considered an impartial student of the social sciences. All those raising objections are branded as biased and narrow-minded. The supporters of the new religion of statolatry are even more fanatical and intolerant than were the Mohammedan conquerors of Africa and Spain . . . LUDWIG VON MISES *in* Planned Chaos.

THIS IS A COMMENT on Communism in general, on communists in the political establishment and on Saul of Tarsus. Let us begin with the last.

It is written that Saul, a Pharisee, was plagued with the arrogance of Truth. He could brook no error. And the error that disturbed his soul was the doctrine of the arisen Messiah. Not only was the doctrine gaining currency among the lowly proletariat, to whom the promise of salvation offset the hopelessness of their earthly condition, but even

among his own class, the scholars, there were a number who took to it. To Saul it was a denial of the Law of Moses—which was the whole Truth—and therefore unthinkable. He could do no less than challenge the "untruth." To this purpose he brought to bear all the learning and the skill of which he was possessed; he quoted from the Law to prove it a heresy, employed parable and logic to denounce its wickedness, and all in all put forth his best powers of persuasion to scotch its acceptance.

But, so the story goes, his efforts were of little avail; even his teacher, a beloved Rabbi, was persuaded that the Messiah promised by the Prophets had really come to Israel, and many learned men declared the belief permissible. The Messianists multiplied and Saul's heart grew heavy. When one possessed of the Truth suffers from a heavy heart he is susceptible to a more dangerous affliction—the craving for power to eradicate error, to cause Truth to triumph by force. Saul of Tarsus had a bad attack of it.

So, he offered his services to the High Priest, who had reason enough to fear the spread of the unauthorized doctrine, and was promptly appointed The Law enforcement agent. Henceforth, he need not resort to reason, but could denounce, arrest and punish, which he proceeded to do with the zeal of the righteous; and with the help of Temple guards carefully selected for their capacity of brutality. He was the commissar, and his Department was Truth.

Before their Messiah Lenin was transported in Kaiser Wilhelm's sealed car to the Promised Land, socialists were not unlike Saul in his pre-commissar stage. They were limited to the innocuity of the ecstatic soap-boxer. One could overlook their air of exaltation and transfiguration, for their

hearts were harmlessly good; their intense interest in the underdog of society gained them a hearing despite the irrationality of their aphorisms and shibboleths. Even though their eyes had been kissed by Karl Marx, they were humble enough to submit his concoction called "scientific socialism" to the arbitrament of reason; they were tolerable. Sometimes, as is the case with those who have taken vows, they would consider you sinful because you refused the rope of salvation, and even treat you to a parcel of invective. And always the argument would end up with the threat of brimstone, "comes the revolution," which you would laugh off with an "amen" because you never expected the revolution.

The revolution did come, not in 1918 but in 1933. To be exact, it took fifteen years for the chrysalis of socialism to emerge into full-fledged Communism. Messiah Lenin had preached the superiority of the lash over logic, as did Almighty Marx, but the "evolutionary socialists" clung to their thesis; they were convinced that the glorious dictatorship of the proletariat would come by way of the mesmerism of "inevitable historic forces," by which time capitalism would be so debilitated that a mere push would topple it. For some time after a handful of coffee-shop intellectuals—not an amorphous proletariat—took over the repressive machinery of the Czars, the anointed in this country showed an inclination to argue the merits of their creed. During those fifteen years the realism of the lash became undeniable. By 1933 all pretense of reasonableness was dropped. Karl Marx was thereafter mentioned but never argued.

Communism is the religion of Power. To be sure, it has a rationale and even an ethic; but so had Pharaohism, Caesarism, the Inquisition and all the machines of coercion ever

invented by man. It is necessary for those who compel subservience to clear their road with a moral code of some kind. In such a religion the self-restraints of "bourgeois morality" have no place, while heretical indeed is the doctrine of non-materialistic, superpersonal ideals. Being the only true religion it cannot permit competition from any other "opium." Power is god enough.

Communism did not come, as Marx predicted, as the inevitable replacement of a collapsed capitalism. It came because of improvements in the techniques of grabbing power: the machine gun, the radio, the airplane, and, above all, the art of fiscal robbery. Lenin preached the glory of toughness, Stalin purged. Mussolini bettered Stalin's fanfare with castor oil. Hitler added the racial gadget of repression. The "public good" was invoked by all three. It remained for the Great Man in America to improve on their techniques by destroying the meaning of words, by so confusing language that instead of being a means of communicating ideas it became an instrument for compelling subservience. Meanwhile, he dug up and polished the old Roman device of "bread and circuses." Here was an apostle of Power whom the least bloodthirsty socialist could accept. No bludgeon in his equipment, but the skillful use of seductive phrases, so dear to the "intellectual," gained for him the self-same means of compelling conformity which his crude European models sought: control of the economy. And with that control he built a hierarchy—a church. He anointed the frustrated soap-boxers and collegiate word-mongers with the scented oil of bureaucracy. He gave them jobs. He invested them with Power. That began in 1933.

And now we come to the spy-hunt, which is, in reality, a

heresy trial. What is it that perturbs the inquisitors? They do not ask the suspects: Do you believe in Power? Do you adhere to the idea that the individual exists only for the glory of the State? Ought not the TVA be extended to cover the whole country, so that by merely pulling a switch the State can control all production? Are you against taxes, or would you raise them until they absorbed the entire output of the country? Are you opposed to the principle of conscription? Do you favor more "social gains" under the aegis of the bureaucracy? Or would you advocate the dismantling of the public trough at which these bureaucrats feed? In short, do you deny Power?

Such questions might prove embarrassing to the investigators. The answers might bring out the similarity between their ideas and purposes and those of the suspected heretics. They too worship Power. Under the circumstances they limit themselves to one question: Are you or were you a member of the Communist Party? And this turns out to mean, have you aligned yourself with the Moscow branch of the church?

Power-worship is presently sectarianized along nationalistic lines. The hope of its devotees is a single ritual for all peoples, a centralized church, a universal hierarchy; only in that way can the vestiges of the heresy of freedom be eradicated. In the meantime each nation guards its orthodoxy. Because the Russian people have long been inured to subjugation, the "church" has made more progress there than anywhere else, and it is but natural that the more imaginative of the American bureaucracy should look to Moscow as the ideal. And it follows that some will plot the importation of its more thoroughgoing ritual to this country.

The intensity of their faith in Power urges the adventure while the cabalism of an underground movement whets their imagination; and missionaries from Moscow will not be wanting. Hence, if the apostasy of the accused can be proven, and they should be put to the rack, they will be succeeded by other worshippers to whom the Eastern Mecca will seem good. So long as there are political jobs there will be communists to fill them; if they are not communists when they take the jobs they will become communists soon after they become inured to the exercise of power.

If, as seems likely, the American and Russian cults come into violent conflict, apostasy will disappear. The most violent calumniators of Sovietism will be the American devotees of Power, both the avowed communists and their dupes, the fellow-travellers. The most vigorous defenders of the Arc of the Convenant (American style) will be those who now question its adequacy. For, Power is Power, no matter by what name it hides its identity, and one must hold on to what one has while grasping for more. War will bring Communism into its own in the United States, for war provides the opportunity for proselytizing, for entrenching the ministry, for enlargement of the church. War is the apotheosis of Power, the ultimate expression of the faith and the solidification of its achievement. Adherents of the Moscow branch of the cult will be for war, for their own purposes, while those who worship at the American altar will prosecute the war for opposite purposes; but both will favor the acquisition of Power.

Were there a disposition in this country to destroy Communism, the matter could be accomplished with dispatch by merely abolishing the mess-table at which it fattens.

The "sinews of the class war"—as every communist knows —are the funds provided by that beast of burden, the taxpayer. For, when you look into the matter you find that those "sinews" are nothing but the tithes by which the priesthood and their acolytes prosper. In this country, as the investigations have so amply shown, Communism thrived in proportion to the number of jobs provided by Congress at the taxpayers expense. As long as jobs are available there will be communists, either by infiltration or by incubation; the emoluments and the pomp which go with a political job will convert the meekest bureaucrat to the religion of Power. Hence, if Congress would destroy this creed, it would undo all the "social gains" which have been imposed on us since 1933. It must abolish the bureaus. If that were done, the devotees of Power would be reduced to soap-box oratory.

That may be asking for a miracle. It certainly would be close to miraculous for Caesar to deliberately unseat himself. But, while this may not occur, other events, equally contrary to experience and to reason, may bring about the same result. The glory that was Rome, so the story goes, was done in—by a miracle.

For, it is said that while Saul of Tarsus was carrying out his duties as Commissar of Truth, the Messiah he had been denying appeared before him and convinced him of his error. So, after a bit of soul-searching, he quit his job and thereafter dedicated himself to the task of preaching the very doctrine he had been denouncing. And because he was now the persecuted rather than the persecutor, he was effective; everywhere he went he found willing listeners, even in Rome itself. More important than their numbers was the

conviction of his converts that in the eyes of God the lowliest in society was equal unto Caesar. The Psalm of Freedom —of the dignity of the individual—reawakened their souls. Neither the lash nor the dungeon vile nor the wild beasts in the arena could rob them of their self-esteem. By their very suffering and death they transmitted their faith to others, the sect grew, and at long last Caesar capitulated.

From the story of Saul, who came to be known as Paul, we draw the lesson: that when people want freedom they will get it. When the desire of the business man for "free enterprise" is so strong that he will risk bankruptcy for it, he cannot be denied. When youth prefers prison to the barracks, when a job in the bureaucracy is considered leprous, when the tax-collector is stamped a legalized thief, when handouts from the politician are contemptuously rejected, when work on a government project is considered degrading, when, in short, the State is recognized to be the enemy of society, then only will freedom come, and the citadel of Power collapse.

Considering the temper of the times the emergence of such a public state of mind would indeed be a miracle. But, in some degree it has happened before and therefore we may hope. When the organized religion of Power, known as Communism(more properly called Statism), shall have destroyed all values, and reduced the individual to a nonentity, will its overthrow by moral force be accomplished. In degrading the individual it destroys itself, simply because the degraded individual loses interest in production and ceases to provide the wherewithal for the State. As the State rots away from malnutrition, the individual begins

to reassert himself in something called Civil Disobedience, Passive Resistance, or some other kind of revolution, and the contest is all in his favor. Freedom comes when Caesar is no longer able to maintain his legions.

CHAPTER XIX

The Radical Rich

THERE WAS A TIME, in these United States, when a candidate for public office could qualify with the electorate only by fixing his birthplace in or near the "log cabin." He may have acquired a competence, or even a fortune, since then, but it was in the tradition that he must have been born of poor parents and made his way up the ladder by sheer ability, self-reliance and perseverance in the face of hardship. In short, he had to be "self made." The so-called Protestant Ethic then prevalent held that man was a sturdy and responsible individual, responsible to himself, his society and his God. Anybody who could not measure up to that standard could not qualify for public office or even popular respect. One who was born "with a silver spoon in his mouth" might be envied, but he could not aspire to public acclaim; he had to live out his life in the seclusion of his own class.

Theodore Roosevelt broke the tradition, but his was a special case. Though he had been born of fairly well-to-do parents, this circumstance was overcome by the story of his life, which had been popularized by his exploits in the Spanish-American War. When he organized his regiment of Rough Riders, it was brought out that as a boy he had been in poor health and that by sheer strength of will he had

overcome this handicap; he had made a "man" of himself by going West and enduring the hardships of life on the range; his Rough Riders consisted mainly of cowboys with whom he had roughed it during those years, So, in a way, he came within the scope of the Protestant Ethic, despite his origin, by an exercise of will power. Besides, he came along at a time when politics was in particularly bad odor, thanks to the stories of corruption unearthed by the "muckrakers," and the professional politicians were in need of a show of respectability; he supplied it.

The point is that in those days the scions of great wealth —like Rockefeller, Harriman, Kennedy or Mennen Williams —would have had little chance in the public arena. Nor, indeed, would they condescend to lend their names to politics. The rich engaged in politics only to the extent of buying, through campaign contributions, the privileges which politicians could sell them, but showed no inclination to expose themselves to the shafts of public opinion. Perhaps this was due to the fact that a name like Roosevelt, Harriman or Rockefeller was anathema to the public, and they knew it. At any rate, no man of great wealth, whether self-accumulated or inherited, sought political preferment.

In the last thirty years, or since Franklin D. Roosevelt, the attitude of the public toward men of means, and particularly toward the inheritors of it, has been reversed, and now it is customary for such names to appear on the ballot. This is a political phenomenon worth exploring. Why does the electorate vote for the sons of rich men, and why do these sons seek public office?

The answer to the first question—why does the electorate vote for the sons of rich men?—seems to lie in the deterio-

ration of the Protestant Ethic and the rising popularity of what has been called the Freudian Ethic. The Protestant Ethic, as has been noted, held that man is by nature a sturdy individual, self-reliant and responsible. The Freudian Ethic says this is not so. Freud said that the individual comes into this world unwillingly and is biologically incapable of meeting its demands. The baby suffers a trauma at birth—by virtue of coming out of the warmth and comfort of the womb and being confronted with conflict—and suffers throughout life from neuroses. Society is to blame for all the sufferings of mankind. The Freudians—those who have expanded the Freudian concept of the human character into an ideology—have undertaken, therefore, to alter society so as to make the path of the individual through life easier, more comfortable. The way to alter society to fit the Freudian pattern is through government action. This is called "social legislation," which turns out to be handouts of tax money. Now, everybody is favorably inclined toward something-for-nothing, and the more of it they get the more they want. And so, it has come to pass that the bulk of the electorate casts its ballot for those who promise them more and more largess, rather than for those who insist that the people accept responsibility for their own welfare. And the sons of rich men, those whose fathers have taken care of all their needs and wants since birth, are inclined to look upon this Freudian concept with favor; they are all for giving, for taking care of people and for relieving them of responsibility. Hence, they promise and are elected.

But why do these sons run for office? Their fathers, those who made the fortunes through reliance on their own initiative and enterprise, certainly did not seek political pre-

ferment. Why do the sons go in for politics? There are several answers to this question, none of which is completely satisfying. Some psychologists maintain that their urgency derives from a guilt complex; feeling that they have no right to the wealth they inherited, that this wealth was ill-gotten, they have a compulsion to alter the system whereby their fathers or grandfathers accumulated this abundance. For, it is noted, they are all socialists and look with abhorrence on the capitalistic system; or, at least, they act as if they do when in office; they are all for leveling schemes and propose measures which will, if pursued, destroy all profits from enterprise, if not enterprise itself.

Then there is the power complex theory. These boys have had pretty much their own way since birth, have become satiated with the things that their economic power gave them, and are looking for new worlds to conquer. They yearn for political power for its own sake, not for any increase in economic power, which they have always enjoyed. And so, they spend their millions to buy political office; and when they are in office they give of the taxpayers' money not because of any sympathy for the "underprivileged," but because they have learned that by giving they buy votes, without which their tenure in office is jeopardized. And staying in office, continuing to exert power over people, has become the only reason for existence; without political power they would have to lead the humdrum life of enjoying their inherited wealth.

Then there is the theory advanced by G. K. Chesterton that the rich are really radical, that they are always in the forefront of new fashions, in thought as well as in customs, while those to whom the business of existence is a full-time

job are for letting things alone. There is some historic support for this theory. The Gracchi brothers did much to introduce the New Deal in ancient Rome and they came from wealthy surroundings. The Protestant Reformation could not have got going without the support of well-heeled princes. It was the barons of England who induced King John to sign the Magna Carta, not the hoi polloi. And our own American Revolution was sponsored by men of means, while a peer of the realm, Lafayette, was a prominent leader of the French Revolution.

To be sure, the arguers for a revolution, the theoreticians and the intellectuals, may come from the class called poor, but until rich men get hold of it the proposed change never gets off the ground. Thus, Alexander Hamilton was a relatively poor man when he advocated the centralized government which the well-to-do, in the main, wanted. Theirs was the Constitution, and theirs alone. All the evidence indicates that the small farmer and the artisan, the bulk of the population, were doing fairly well under the Articles of Confederation and feared the radical instrument that had come out of the Philadelphia convention; they were conservative, or reactionary if you will. With few exceptions, the "advanced" thinkers were on the wealthy side, and that was so not because they hoped to gain by the proposed centralization. True, a number of delegates to the Constitutional Convention had been speculating in Continental paper which could become of value only if the proposed government was instituted; the industrialists among them hoped for a protective tariff, and the land speculators were looking avidly to the opportunities in the West when this vast continent had been incorporated in the public domain. But,

men like Madison and Adams and Jay were high-minded in their radicalism; they sincerely believed that the *summum bonum* was a government of, by and for the "rich and well-born"; they feared the ascendancy of the "mob." They were for change and they were the rich. The fact that a poor man was their leader does not deny the thesis; new ideas can and do originate in the minds of poor men, but they usually remain "crackpot" ideas until men of means give them standing.

So, beginning with the birth of the nation, every new idea that ever came to fruition had the sanction and the support of the affluent. The poor have ever been stand-patters, and for very good reason. Their preoccupation being what it is, any proposition to disturb their adjustment becomes suspect. Only when the making of a living becomes precarious will they listen to promising proposals; desperation rather than aspiration makes radicals of them. Politics to that class means "better times," and they will never throw out of office a known rascal if during his regime they enjoyed some regularity of income.

The New Deal was put over by the rich. Mr. Hoover was kicked out of office by the votes of the masses, to be sure, but that would have happened even if his opponent had been a confessed horse-thief; radicalism was rampant because poverty was. But, it was not until after the election that the New Deal came upon us, and there is reason to believe that Mr. Roosevelt himself did not think of it until after his inauguration. It was then that he called upon the college boys to mix him a miracle brew. The administering of this concoction was the work of the rich. The best monopoly brains of the country were at Mr. Roosevelt's beck and call

throughout his regime, and heading his enforcement agencies were the finest skills in business. He could not have done without this cooperation.

Yes, the poor were for the New Deal, too, but only on a bread-and-butter basis. That's all it meant to them. They surely did not think up the make-wage projects; very few could tell you what the hieroglyphics WPA or PWA stood for. The NRA was the brain-child of professors from heavily endowed colleges, made to function by industrialists. When Mr. Roosevelt closed the banks it was the financiers, not the clock-punchers, who hailed him as their savior. The dispossessed sharecroppers would have settled for a bit of "growin' land"; they were given leaning shovels. The impoverished farmers did not ask Washington for hand-outs; all they wanted was relief from mortgage indebtedness, and they were getting that by way of private arrangements. Interest delinquencies were being forgiven and capital amounts were being voluntarily slashed, before 1933, and it looked as though the farmers would bale themselves out by the old-fashioned deflation of fictitious values; but this process was halted by the manna-from-heaven plan, and the bankers and insurance companies sang hosannas to the New Deal.

It was not because they could put it to their profit that the 1933 radicalism was taken up by the rich and given respectability. They embraced it because it had the glamor of the "latest thing." Maybe the yearning for novelty germinates in ennui, maybe it springs from the desire for self-expression or the hankering for leadership. At any rate, the glittering novelty of the New Deal perked up the jaded appetites of those who had time and money on their hands, and they went in for the "more abundant life" philosophy

with the same enthusiasm that they put into new-fangled religions, futuristic art and the latest dance steps. They lionized the literateurs of "social significance", they financed research foundations and manned them with Ph.D.'s who knew in advance what they were supposed to find out, they underwrote the salaries of professors who preached New Dealism. And, they subscribed heavily to the budgets of publications who criticised Mr. Roosevelt only when he was not as New Dealish as the editors wanted him to be.

The poor fell in line, for that is their inclination; those who occupy the lower rungs on the social ladder always emulate the envied ones above, and in this case the emulation was facilitated by need. Just as the shop-girl took to cigarette-smoking after the "better class" ladies made the practice *de rigueur*, so the socialistic nostrums became popular only after the wealthy made them respectable. The old values of freedom, self-reliance and individual responsibility were lost for lack of a reminder. Where in the public press could one read about individualism for twenty years after the inauguration of the New Deal?

Fashions in ideas make their way against reason, and even self-interest cannot restrain them once they get going. Even now, in the light of what Hitler did to the wealthy who put him in position to do so, Americans of that class cannot bring themselves to a renunciation of the Statism they fostered under Roosevelt. If they were capable of putting two and two together and coming up with the correct sum, they would howl their heads off at every accretion of State power. They would fight like mad against the growth of bureaucracy, against each and every intervention in the economy, every law that put a penny into the hands

of the politician, every proposal leading to the militarization of the country. Not only because the weakening of the State must make for the social good, but because the strengthening of the State must eventuate in their own subjugation. But, despite the lessons of history, despite the dictates of reason, they seem incapable of understanding that the Caesarism they foster will cut their own throats; they go along with the trend on the theory, apparently, that sufficient unto the day is the unslit throat. They are slaves of their own fashioning.

Yes, the rich took to socialism because it was radical; even Theodore Roosevelt and Andrew Carnegie advocated the income tax. The inheritors of great wealth, who got their education during the heyday of the New Deal, embraced socialism because it was the "right thing" to do, because their class made it fashionable. Now that socialism is pretty well entrenched in this country, what new radicalism can the well-to-do take up? Perhaps they will turn to exotic religion. Or even to the faith of their fathers, though that would hardly be radical enough. Maybe the more curious among them will look into such esoteric philosophies as existentialism and undertake to make them fashionable. Then, again, the more thoughtful among them might undertake to reverse the political and social trend by digging into old fashioned individualism, which would be radical indeed.

There are indications that this is actually happening now. Whereas fifteen years ago there were so-called conservative publications, today several are being supported more or less liberally, while movements, like the one for the repeal of the income tax amendment, are gaining headway, thanks

to contributions from the well-to-do. Foundations for the advocacy of the free market and limited government are springing up. One hears more and more about the primacy of the individual, while doubt is being thrown on the virtues of collectivism, even in the endowed universities. Industrialists are issuing pamphlets and subsidizing advertisements favorable to the free economy; some are really anti-Statist in nature. There is today a formidable literature on the subject of freedom, while fifteen years ago there was none. So, it could be that the new fashion in thought will be the old doctrine of individualism, and some day even a Rockefeller may run for office on a platform of that kind.

CHAPTER XX

Henry David Thoreau

THE SECRETARY of the Thoreau Society reports increasing interest in this famous "ne'er-do-well." It takes a long time for word-of-mouth advertising to get around, but because that kind of publicity attaches itself to first-class merchandise only, its effectiveness is irresistible. Recognition of Thoreau's contribution to the philosophy of individualism could not be put off forever. Several books and articles have, of course, cropped up to take advantage of the market created by this renewed interest in Thoreau, but unfortunately these "lives" and commentaries have come during an era when the dominating thought vogues are psychology and collectivism; so that these studies are somewhat overladen with psychiatry and social theory.

Therefore, if you want to know Thoreau you had better pass up the diagnosticians and get down to reading Thoreau himself. You will find him an "open book"—quite willing to tell you frankly, and interestingly, what he thought and why he lived the way he did. He is quite companionable. Begin, then, with his essays: *Civil Disobedience, Slavery In Massachusetts, John Brown, Life Without Principle.* If you want more, and you will, go in for *Walden*—but you will have to read it slowly to get your money's worth out of it—

and then put in an evening or two with the revealing extracts from his journals, or diaries as we call them.

Maybe you too will decide that Thoreau was "maladadjusted." But you might withhold judgment until you define this pathological mouthful. Before the war, the boy who ran away from home and joined the army was "maladjusted"; during the war the boy who refused to join the army on principle was similarly labelled. The word, therefore, as used, simply means that the person so described is either incapable or unwilling to submit to the going herd-cult. It connotes some emotional or mental weakness, and carries a bit of condescension and of pity with it; that the ability and willingness to stand the crowd off may indicate exceptional self-reliance is overlooked. Sometimes one cannot help suspecting that the perfectly "adjusted," those who are quick to fit themselves into any thought-pattern prepared by the neighbors, find the term "maladjusted" a convenient covering up of their own weakness. Maybe the word is plain name-calling, pulled up out of the gutter by "science." The suppressed rebel in us resents the courage of those who rebel openly.

In this connection I am reminded of a story told by Artemus Ward about Billson, his partner in the show business: "Billson," says I, "you hain't got a well-balanced mind." "Yes, I have, you old hoss-fly," he says (he was a low cuss), "yes I have. I've a mind that balances in any direction the public rekwires, and that's what I calls a well-balanced mind." Thoreau did not have that kind of mind, which makes him, it seems, a tid-bit for psychologists. Their scalpels might more usefully dig into the minds of conforming

mediocrities; it might be socially beneficial to discover the consistency of mass putty.

A biography of Thoreau worth reading, because it concerns itself with revealing the man from his own point of view and not with the biographer's estimate of him, was done by a Frenchman, Leon Bazelgette. "The gods," says Bazelgette, "have made a Henry who is all of a piece, and they have placed him on earth among objects and souls that are different and queer." There you have it. What do we mean by "queer"? If all but one of us were color blind, that one would indeed seem queer to us; but how would our inability to distinguish colors appear to the gifted one? And so, as this country bumpkin went through Harvard in his stout green suit, while the fine young gentlemen were uniformed in traditional black, the incongruity which caused them to smile was as nothing to the oddity, as he saw it, of voluntarily squeezing one's personality into a convention. Even in his teens he displays that "militant devotion to various axioms that he identifies with himself." He could not be cast into a mold; he was not made of that stuff. Harvard had facilities which he could use to improve himself. It was a means; the end was a better Thoreau. It was not for the "old joke of a diploma" that he read enormously, far beyond the requirements of the curriculum, though outside of it. At nineteen he wrote: "Learning is art's creature, but it is not essential to the perfect man; it cannot educate."

When we reflect on Thoreau we must always consider the sanity of the world in juxtaposition to his. Take his first experience as a school-master. In his system of pedagogy he finds no place for the whipping rod; for this heresy the

headmaster calls him to account; being an honest man he must deliver what is expected of him for his wages; therefore, he lines up at random a half dozen of his pupils and thoroughly flogs them. He has done his duty by the headmaster. But, he must be honest with his axioms, too; therefore, he resigns. He could not afford to let Thoreau drift into false values. Was he or the pedagogic rule queer?

A professor of economics once told me that the last word on the subject was pronounced by Henry George. "Do you teach him?" I asked. "No, he is not in the curriculum, and if I tried to teach Henry George it would be worth my job." Thoreau could not understand that kind of thinking. If flogging were part of the curriculum he would cut himself off from it. He valued Thoreau more than his job.

We talk a lot about freedom these days. When you dig to the bottom of this talk you realize that, first, very few know what freedom is and, secondly, still fewer want it. The fact is that what is generally called freedom consists of increases in wages (or handouts), more profits (or subsidies) and a bottomless abundance of privileges. For such things we—particularly the more affluent among us—are ready to lay freedom on the line. The essence of freedom, which is an inflexible respect for oneself, is being bartered every day for such trifles.

Thoreau was not in that business. Once the dwindling fortunes of his father's pencil factory needed looking into. Henry undertook the job and by careful application produced the best pencil in America. He made only one; but that was enough. As an honest workman he satisfied himself; as a good son he put his father in the way of a competence. Why should he sell himself for pencils? Profits

were not among the axioms that he identified with H. D. Thoreau. Luxuries came too high if the price was freedom. Imagine our "captains of industry" passing up a profit or a privilege for the chance to be men!

Freedom is an individual experience. If you have it, its objective expression will find many forms; but if you don't have it you will get along all right, like any four-footed animal or "sound" citizen, and you may even go to Heaven, but you can never be free. Chattel-slavery was the issue in Thoreau's time, just as state-slavery now is. A lot of people talked about the iniquity of the system. What did Thoreau *do*? He refused to pay the poll-tax on the ground that the Commonwealth of Massachusetts would use the funds to capture and return fugitive slaves. Now, when you refuse to pay taxes you are indeed a dangerous man, for you undermine the institution whereby some men live by the labor of others; therefore, you must be clapped into jail until you see the error of your ways and make your proper adjustment. Of his one night spent behind bars Thoreau writes: "I did not for a moment feel confined, and the walls seemed a great waste of stone and mortar . . . I could not but smile to see how industriously they locked the door on my meditations. As they could not reach me they resolved to punish my body; just as boys, as they cannot come against some person against whom they have a spite, will abuse his dog. I saw that the State was half-witted, that it was as timid as a lone woman with her silver spoons . . . I lost all my remaining respect for it, and pitied it." Such a man cannot be enslaved.

It need hardly be said that Thoreau would have no truck with institutions, organizations or "movements." When free-

dom submits to a formula it rids itself of responsibility, the responsibility to one's own axioms. To check one's thought and behavior against the dictates of one's conscience may prove unflattering; to chart one's course by such a check-up requires a powerful will; it is to avoid such revelation and responsibility that people are prone to hide behind rituals, committees, flags and by-laws. But, flight from individual responsibility amounts to abandonment of freedom. You are not free when you refuse to make choices in your own name. You enslave yourself when you take refuge from the consequences of your decisions in an organization, a nation or any collective fiction. To Thoreau such "escapism" was unthinkable, queer. So, he writes: "As a snow-drift is formed where there is a lull in the wind, so, one would say, where there is a lull of truth, an organization grows up." For him there never was a lull of truth.

The value you put on freedom is, like all objective value, the price you are willing to pay for it. Thoreau's price came high, and the difference between him and his contemporaries is not to be found in the lingo of psychology but in the greater worth he put on his self-esteem. He rejected the mob because mingling with it called for a sacrifice of that self-esteem at the altars of convention and hypocrisy. That he was not unsocial is evidenced by his friendship with people of similar timber and by devotion to his family. Whether it was with Emerson or the wood-cutter, with Channing or an Indian guide, his social contacts had to be on an above-board basis, unencumbered with trivialities; any other terms did not interest him. If being social at any cost of self-esteem is the mark of balance, then Thoreau was decidedly unbalanced. But, the evidence points rather to

his having a higher sense of values than the ordinary run of men. He was determined to be free of rubbish. Once he was asked to sign a pledge, to which the names of the "best" people of Concord were attached, that he would treat all people as brothers. He declined to do so until he found out how other people would treat him. He was not going to be sociable for the sake of sociability; he demanded as much as he gave. He would neither accept nor bestow condescension.

But the real price he paid for freedom was not in ridding himself of the strictures of society but in curtailing his desires. He conquered his appetites in order to be free; he was not going to be a slave to things. His venture into the pencil business shows that he had the makings of a successful industrialist. With a brother he operated a school that was the envy and chagrin of rival schoolmasters, not only because of its success but more so because of some advanced ideas of pedagogy which the brothers introduced. As a surveyor he was in demand and highly respected, both for his accuracy (he made his own instruments) and for his integrity. Those who hired him for any kind of job, whether farm work or painting a fence, were sure to get their money's worth because Thoreau would not cheat himself by doing poor work. He might have made money also as a lecturer and a writer had he been willing to compromise his standards, for he was proficient in both fields. But, he was not willing to give up what the making of money costs: freedom. For that reason he refused regular occupation of any kind—although he was never idle—and got himself the reputation of being a ne'er-do-well. From his own point of view he was doing far better than his detractors, for while

they got respectability for their industry and pains, he had self-respect.

The rock on which every attempt to rid man of his shackles is ultimately wrecked is man's unwillingness to pay the price of freedom—the price which Thoreau cheerfully paid. Every "cause" must crash on it. For, when the theorizing is done, the books are all written, the debates have been resolved into a formula for action, there remains always this irremovable obstacle: one must live. By this dodge the lipservers simply admit that the worth they put on their ideal is less than that they put on their accustomed way of living or the prospect of improving it. The ideal is something nice to talk about, to use as a tonic for one's sluggish intellectual liver, but when it comes to giving up something for it, that is a different matter. It is more pleasant to make one's peace with the going order, right or wrong. And if someone pricks your conscience, you get rid of him by declaring that "the time is not ripe," or by saying, "wait until I make my pile."

Thoreau said that if he saw a reformer coming his way he would run for his life. He had no need for reform. The man who identifies axioms with himself wants no preacher, while the preacher will have no influence with those who are constitutionally incapable of axioms. If the reformer justifies his calling on the ground that through education moral values that are lacking may be instilled, the answer is that all experience denies that possibility. Education can present choices; it cannot make decisions. No pedagogical system has ever succeeded in eliciting values which do not exist in the person.

Improving on Jefferson, Thoreau says: "That government

is best which governs not at all;" then he wisely adds: "and when men are prepared for it, that will be the kind of government which they will have." Will they ever be prepared for it?

CHAPTER XXI

How We Came By Socialism

IN THE CENTURY since Marx propounded the theories on which he based the inevitability of the coming of socialism, every one of these theories has been proven fallacious, until now when even the avowed socialists avoid mentioning them. And yet, socialism is with us. It has come not by way of Marx but by methods of which he took no note.

Here it might be well to attempt a definition of socialism. The task would be hopeless if it involved the inclusion of every doctrine extant among the multitudinous sects or individuals who lay claim to the name. At one time there was agreement among all of them as to the means for bringing about the "good society" of which they spoke (but not on the ingredients of that "good society"); it was simply public ownership and operation of the means of production and exchange. In other words, the nationalization of industry. But, of recent years nationalization has itself lost favor with many socialists, particularly in England and Germany, simply because the proletariat have seen nationalization at work and do not think well of it. Their wages have risen under private ownership of capital to such an extent that they have no interest in changing the system. So, the leadership is playing down nationalization in their programs,

and are rather stressing the need of the government's intervening in the economic affairs of the nation. They are for government control and regulation, for heavy taxation and for "welfarism." In short, socialism has simmered down to the advocacy of strong government, with this proviso: that that government is best which is run by socialists. Though they speak of the ideal society and promise to bring it about, their main interest is in getting control of the reins of government.

Only in communistic countries, like Russia and China, is state capitalism—state ownership and operation of all capital—in full bloom. In all other countries—republican or monarchical, "free" or compulsive—intervention is the rule, although, to be sure, there is a marked inclination of their ruling regimes to take over certain forms of capital. Whether the inclination can be contained only experience will tell. The odds are against it, simply because in a highly integrated economy every industry impinges on many others, and the state may be obliged to extend its operations to fields contiguous to those in which it has taken a hand. Thus, when the Tennessee Valley Authority undertook to furnish subsidized electricity to its clients, its clients increased in such numbers that the management had to supplement its original hydro-electric plant with steam-generated electricity. Or, the government monopoly of the letter-carrying business led naturally to its invasion of the parcel post industry, as well as to the transmission of money. In France, the state monopoly of the railroads has been extended to other and competitive forms of transportation, while in England the state monopoly of doctoring has led to intrusion into the pharmaceutical industries.

In America, where the tradition of individualism relucts at admitting the fact, state capitalism is making headway. What else would you call the government ownership of vast hydro-electric plants, or the government's entry into the housing business, or its extensive banking operations? If the government has not yet taken over the railroads, its regulation of them bids fair to drive them into bankruptcy, when the government will be forced to enter the field as owner and operator; the prototype of this eventuality is the New York City subway system. The government's ownership of forty percent of the land of the country will in due time be augmented by the foreclosure of homes, factories and office buildings in which it has guaranteed mortgages, and the government will then be knee deep in the real estate business. Through its Veterans Administration, it is an insurer of note. Many industries are so dependent on government contracts, or subsidies, that the private ownership of them is a mere formality; in effect, the government really owns them and hires the ostensible owners to run them. So that, even in this country state capitalism is a lusty baby that promises to grow up.

But, it is not state capitalism that identifies socialism. That may be its ultimate character, but for the present, socialism is confined to state regulation or control of industry and intervention in the private affairs of the people. If that is socialism—and the socialists themselves declare it to be—then we have plenty of it, even in this country. Well, then, if the fulfillment of Marx's prophecy cannot be attributed to his theories, how can it be explained? It is the end result of practices instituted by the capitalists. It is they who are to blame.

Capital consists of labor products set aside to facilitate greater production, and capitalists are those who own and operate such accumulations. In that capacity, they can only benefit society. But, the owners of capital have never been satisfied to reap the profits of production. In addition, they have since the beginning of capitalism sought to augment their income by securing from the ruling regime some enforceable special privilege. The task of producing goods and services for exchange was accepted as a necessity, but the *summum bonum* was the acquisition from the king of grants, patents and subsidies that would yield them monopoly profits, that is, profits over and above what might be garnered in a competitive market. Their aim was to live like nobles who rendered no service for the rents they collected from their tenants. Since land was hard to come by, capitalists devised ways and means whereby with the aid of the law and the king they could get themselves into a monopoly position. Patents and franchises which prohibited others from going into certain lines of business, cartels by which none but members could enter given markets, thus reducing the risks of competition, protective tariffs and subsidies were the favorite devices.

The practice of seeking special privilege from the political establishment was transported to this country and was integrated into the economy as soon as government was organized. Take, for instance, the post office business. In the beginning, when it was in the hands of the colonial congress, contracts were granted to postriders (capitalists) to transport mail from one town to another. The contracts called for the carrying of a certain number of letters in each saddle pouch; if there were more than the given number to be de-

livered, the postriders refused to handle the excess, thus forcing the government to contract for a second horse. There was not enough mail to fill the pouches of the second horse, so the capitalists augmented their income by carrying parcels for merchants; but the second horse was available, and it was for this availability that the government paid. This practice has continued to the present day, in the payment to airlines for the availability of space on their ships, not for the actual carrying of mail. It is a subsidy, a special privilege, which the taxpayer must meet, and it has nothing to do with capitalism.

Railroad magnates were not content with a franchise to run trains between given points, but had to be bribed with large grants of land abutting their routes, which put them, with no capital investment, into the often lucrative real estate business. The manufacture and sale of spirits was almost from the beginning put under license from the government, thus limiting competition. The shipping business has been highly subsidized, mainly through mail contracts, on the excuse that a merchant marine is necessary in the event of war. Sugar quotas are imposed by the government for the purpose of favoring native beet sugar growers. Tariff protection was a "right" acquired by manufacturers even before the Constitution was ratified. And, in recent years, farmers have been granted huge bounties for not planting. In various ways, the producers, called capitalists, have been favored by the government at the expense of the consumers.

Now, the point is that the State does not grant privileges without a *quid pro quo*. Every privilege involves the getting of something for nothing; it is never an honorable ex-

change, and therefore has to be enforced. The coercive power of the political establishment is involved. The State, far from being an impersonal fiction, consists of men who are called politicians but whose inclinations are not unlike those of other men. The only difference between the politician and the rest of mankind is that he is invested with the power to compel other men to do what they do not want to do, or to refrain from doing what they want to do. He is interested in the prerogatives of office. Therefore, when he uses the power vested in him to favor the interests of some particular person or group, he demands in exchange an extension of his prerogatives. Indeed, the very privilege he grants calls for an enlargement of his powers, for the privilege has to be enforced. Patents require a patent office, tariffs call for an extensive custom service and a sizable navy, cartels must be regulated, farm subsidies and controls must be administered by a department, bounties have to be doled out by agents. Every privilege granted by the state demands an enlargement of its personnel, its prestige and its power —and its income by way of taxes.

Capitalists—so-called—have never quibbled over the price. In fact, in exchange for the profitable privileges they have supported the state in its demand for additional regulatory powers, for without these powers their privileges would have meant nothing.

However, in this business of dispensing privileges the State could not forever confine its clientele to the owners of the means of production. In the beginning, in feudalistic times, everything was held in ship-shape order by limiting privileges to the land-owning class. But, soon a rising entrepreneurial class came upon the scene; and they, seeking

privileges, asked for a place in the government. They got in, not by reason of the "rights of man," but by offering the king their financial support in his struggles with rival lords or foreign princes. Once in the government these capitalists took care of themselves. Pretty soon, the vociferous and turbulent masses, who pay for the privileges, began to make their presence felt, and they demanded a say in government by way of the vote. The vote is, by definition, a piece of sovereignty; the theory is that sovereignty resides in the citizen, who transfers it to agents, whose exercise of authority thus gains moral sanction. But the demand for the vote was never motivated by an abstract principle; it has come from an economically depressed class, and the lure has been the promise of betterment. Since land owners and capitalists had done well by themselves by cooperating with the State, it seemed reasonable to suppose that the proletariat would likewise benefit by digging their snouts into the trough. Never has the vote been used to abolish privilege; it has always been used to demand new ones or to effect a change in beneficiaries. The pressure-group technique is nothing but the clubbing together of many minuscule pieces of sovereignty into an effective instrument of trade. Privilege is an over-the-counter proposition.

The trade of privilege for power appealed mostly to the State. The proletariat really never approached the State for privilege; it was actually handed to them by the power-hungry politicians in exchange for their suffrage. Every subsidy to the "poor" (in a democracy) was thought up by a bureaucrat or a candidate for office, the candidate to achieve political preferment, the bureaucrat to improve his prerogatives and his perquisites. The "poor", being human,

as even the capitalists are, voted for something-for-nothing; it is questionable whether the "poor", unlike the capitalists, knew that in so doing they were augmenting the power of the State.

The power of the State is in exact proportion to its tax-income. The police—the bureaucracy—have to be paid for their services, and the larger tax-income the greater will be the bureaucracy; in fact, the size of the bureaucracy can be used as a measure of State power. The founding fathers were well aware of this phenomenon, and sought to limit the area of State intervention by putting strict limits on its taxing powers. But, all that was done away with when the income tax amendment was added to the Constitution. Without income taxation, socialism is impossible; with it, socialism is inevitable.

Now, the "poor" pay most of the taxes. This is necessarily so, because the national payroll contains most of the wealth of the country and is therefore the most fruitful source of taxation. The State is not concerned with the welfare of the "poor"—or even of the "rich"—but takes where the getting is good; and the wages of the country is a cornucopia the State could not overlook. So that those who have nothing but their labor to sell pay for the bounties handed to them, as well as for the administration of the handouts, although, to be sure, they believe (and are told) that they are getting something for nothing, that the "rich" pay all the taxes.

Capitalists, on the other hand, gain something by the privileges they enjoy. In the first place, there are loopholes in the tax laws which enable them to avoid paying taxes in proportion to their income. These loopholes are necessarily

put into the laws, for the State recognizes that the accumulation of capital must be encouraged or there will be no production to levy on; that is, if there is no capital there cannot be any wages to tax. In the second place, many capitalists profit directly or indirectly from the acquisition of power by the State. When the state becomes the biggest buyer of goods and services in the country (as it must because of its depletion of the buying power of the public), it is a customer worth catering to. Some capitalists work entirely for the State, and their profits are in fact derived from taxes; they cannot object to the State's accumulation of power. Even the small capitalist, the merchant, rakes in his profits from the purchasing power put into the hands of workers in factories operating for the State, or from handouts given to malingerers. No matter how much the State takes from the capitalist there is something left for him to replenish his capital and something to get by on. Under the circumstances, while he might object to State intervention in his business, his objection is based on personal inconvenience, not on principle; on principle, he is all for the State.

In point of fact, so is the proletarian who thrives on the bounty of the State. His only objection to the State is that it does not give him enough; he always wants more. As the suffrage was extended, the demand for special privilege increased, and the State to gain its ends met the demand with alacrity; in fact, the State put the idea into the head of the proletarian in the first place. Now, every privilege amounts to an economic advantage, and an advantage is accompanied by a disadvantage; somebody has to pay for the advantage. When, in due time, the demand for something for

nothing exceeds the tax-income of the State—or the point at which it is politically unwise for the moment to increase the rate of taxation—the State goes in for printing money (or bonds, which is practically the same thing). This is inflation. Inflation is a hidden tax, for it robs the saver of his savings. It is, indeed, a tax on capital.

A society of all thieves is an impossibility; somebody has to produce something for others to steal. But, the State does not know that and continues to take as much as it can lay its hands on, through increased taxation or inflation, to assuage its insatiable appetite for power. At long last it levies directly on capital—not satisfied with its take from inflation—and at that point both labor and capital lie down on the job. Why work when there is nothing in it? It is then that socialism comes into its own; the State takes over the capital structure of the country, or parts of it, in an effort to keep production going so that it will have something to tax. The State must live in its accustomed style. When the State takes over capital it abolishes all privileges, for both capitalists and workers, and its minions then constitute the only privileged class; everybody works for them. Socialism is the end-product of an economy sucked dry by privilege.

Is this inevitable? It is, if capitalists continue to make common cause with the State. In doing so, they unwittingly are digging the grave of capitalism.

CHAPTER XXII

Taxation Is Robbery

THE *Encyclopaedia Britannica* defines taxation as "that part of the revenues of a state which is obtained by the compulsory dues and charges upon its subjects." That is about as concise and accurate as a definition can be; it leaves no room for argument as to what taxation is. In that statement of fact the word "compulsory" looms large, simply because of its ethical content. The quick reaction is to question the "right" of the State to this use of power. What sanction, in morals, does the State adduce for the taking of property? Is its exercise of sovereignty sufficient unto itself?

On this question of morality there are two positions, and never the twain will meet. Those who hold that political institutions stem from "the nature of man," thus enjoying vicarious divinity, or those who pronounce the State the keystone of social integrations, can find no quarrel with taxation per se; the State's taking of property is justified by its being or its beneficial office. On the other hand, those who hold to the primacy of the individual, whose very existence is his claim to inalienable rights, lean to the position that in the compulsory collection of dues and charges the State is merely exercising power, without regard to morals.

The present inquiry into taxation begins with the second

of these positions. It is as biased as would be an inquiry starting with the similarly unprovable proposition that the State is either a natural or a socially necessary institution. Complete objectivity is precluded when an ethical postulate is the major premise of an argument and a discussion of the nature of taxation cannot exclude values.

If we assume that the individual has an indisputable right to life, we must concede that he has a similar right to the enjoyment of the products of his labor. This we call a property right. The absolute right to property follows from the original right to life because one without the other is meaningless; the means to life must be identified with life itself. If the State has a prior right to the products of one's labor, his right to existence is qualified. Aside from the fact that no such prior right can be established, except by declaring the State the author of all rights, our inclination (as shown in the effort to avoid paying taxes) is to reject this concept of priority. Our instinct is against it. We object to the taking of our property by organized society just as we do when a single unit of society commits the act. In the latter case we unhesitatingly call the act robbery, a *malum in se*. It is not the law which in the first instance defines robbery, it is an ethical principle, and this the law may violate but not supersede. If by the necessity of living we acquiesce to the force of law, if by long custom we lose sight of the immorality, has the principle been obliterated? Robbery is robbery, and no amount of words can make it anything else.

We look at the results of taxation, the symptoms, to see whether and how the principle of private property is vio-

lated. For further evidence, we examine its technique, and just as we suspect the intent of robbery in the possession of effective tools, so we find in the technique of taxation a telltale story. The burden of this intransigent critique of taxation, then, will be to prove the immorality of it by its consequences and its methods.

By way of preface, we might look to the origin of taxation, on the theory that beginnings shape ends, and there we find a mess of iniquity. A historical study of taxation leads inevitably to loot, tribute, ransom—the economic purposes of conquest. The barons who put up toll-gates along the Rhine were tax-gatherers. So were the gangs who "protected," for a forced fee, the caravans going to market. The Danes who regularly invited themselves into England, and remained as unwanted guests until paid off, called it Dannegeld; for a long time that remained the basis of English property taxes. The conquering Romans introduced the idea that what they collected from subject peoples was merely just payment for maintaining "law and order." For a long time the Norman conquerors collected catch-as-catch-can tribute from the English, but when by natural processes an amalgam of the two peoples resulted in a nation, the collections were regularized in custom and law and were called taxes. It took centuries to obliterate the idea that these exactions served but to keep a privileged class in comfort and to finance their internecine wars; in fact, that purpose was never denied or obscured until constitutionalism diffused political power.

All that is long passed, unless we have the temerity to compare such ancient skullduggery with reparations, extraterritoriality, charges for maintaining armies of occupa-

tion, absconding with property, grabbing of natural resources, control of arteries of trade and other modern techniques of conquest. It may be argued that even if taxation had an unsavory beginning it could have straightened itself out and become a decent and useful citizen. So, we must apply ourselves to the theory and practices of taxation to prove that it is in fact the kind of thing above described.

First, as to method of collection, taxation falls into two categories, direct and indirect. Indirect taxes are so called because they reach the state by way of private collectors, while direct taxes arrive without by-pass. The former levies are attached to goods and services before they reach the consumer, while the latter are in the main demands upon accumulations of wealth.

It will be seen that indirect taxation is a permission-to-live price. You cannot find in the marketplace a single satisfaction to which a number of these taxes are not attached, hidden in the price, and you are under compulsion either to pay them or go without; since going without amounts to depriving yourself of the meaning of life, or even of life itself, you pay. The inevitability of this charge on existence is expressed in the popular association of death and taxes. And it is this very characteristic that commends indirect taxation to the state, so that when you examine the prices of things you live by, you are astounded by the disproportion between the cost of production and the charge for permission to buy. Somebody has put the number of taxes carried by a loaf of bread at over one hundred; obviously, some are not ascertainable, for it would be impossible to allocate to each loaf its share of taxes on the broom used in the bakery, on the axle-grease used on the delivery wagon.

Whiskey is perhaps the most notorious example of the way products have been transmuted from satisfactions into tax-gatherers. The manufacturing cost of a gallon of whiskey, for which the consumer pays around twenty dollars, is less than a half-dollar; the spread is partly accounted for in the costs of distribution, but most of the money which passes over the counter goes to maintain city, county, state and national officials.

The hue and cry over the cost of living would make more sense if it were directed at taxation, the largest single item in the cost. It should be noted too that though the cost-of-living problem affects mainly the poor, yet it is on this segment of society that the incidence of indirect taxation falls most heavily. This is necessarily so; since those in the lower earning brackets constitute the major portion of society they must account for the greatest share of consumption, and therefore for the greatest share of taxation. The state recognizes this fact in levying on goods of widest use. A tax on salt, no matter how small comparatively, yields much more than a tax on diamonds, and is of greater significance socially and economically.

It is not the size of the yield, nor the certainty of collection, which gives indirect taxation preeminence in the State's scheme of appropriation. Its most commendable quality is that of being surreptitious. It is taking, so to speak, while the victim is not looking. Those who strain themselves to give taxation a moral character are under obligation to explain the State's preoccupation with hiding taxes in the price of goods. Is there a confession of guilt in that? In recent years, in its search for additional revenue, the State has been tinkering with a sales tax, an outright and

unequivocal permission-to-live price; wiser solons have opposed this measure on the ground of political expediency. Why? If the State serves a good purpose the producers will hardly object to paying its keep.

Merely as a matter of method, not with deliberate intent, indirect taxation yields a profit of proportions to private collectors, and for this reason opposition to the levies could hardly be expected from that corner. When the tax is paid in advance of the sale it becomes an element of cost which must be added to all other costs in computing price. As the expected profit is a percentage of the total outlay, it will be seen that the tax itself becomes a source of gain. Where the merchandise must pass through the hands of several processors and distributors, the profits pyramided on the tax can run up to as much as, if not more than, the amount collected by the State. The consumer pays the tax plus the compounded profits. Particularly notorious in this regard are customs duties. Follow an importation of raw silk, from importer to cleaner, to spinner, to weaver, to finisher, to manufacturer, to wholesaler, to retailer, each one adding his mark-up to the price paid his predecessor, and you will see that in the price milady pays for her gown there is much more than the tariff schedule demands. This fact alone helps to make merchants and manufacturers indifferent to the evils of protection.

Tacit support for indirect taxation arises from another by-product. Where a considerable outlay in taxes is a prerequisite for engaging in a business, large accumulations of capital have a distinct competitive advantage, and these capitalists could hardly be expected to advocate a lowering of the taxes. Any farmer can make whiskey, and many of

them do; but the necessary investment in revenue stamps and various license fees makes the opening of a distillery and the organizing of distributive agencies a business only for large capital. Taxation has forced the individually-owned and congenial grog-shop to give way to the palatial bar under mortgage to the brewery or distillery. Likewise, the manufacture of cigarettes is concentrated in the hands of a few giant corporations by the help of our tax system; nearly three-quarters of the retail price of a package of cigarettes represents an outlay in taxes. It would be strange indeed if these interests were to voice opposition to such indirect taxes (which they never do) and the uninformed, inarticulate and unorganized consumer is forced to pay the higher price resulting from limited competition.

Direct taxes differ from indirect taxes not only in the manner of collection but also in the more important fact that they cannot be passed on; those who pay them cannot demand reimbursement from others. In the main, the incidence of direct taxation falls on incomes and accumulations rather than on goods in the course of exchange. You are taxed on what you have, not on something you buy; on the proceeds of enterprise or the returns from services already rendered, not on anticipated revenue. Hence there is no way of shifting the burden. The payer has no recourse.

The clear-cut direct taxes are those levied on incomes, inheritances, gifts, land values. It will be seen that such appropriations lend themselves to soak-the-rich propaganda, and find support in the envy of the incompetent, the bitterness of poverty, the sense of injustice which our monopoly-economy engenders. Direct taxation has been advo-

cated since colonial times (along with universal suffrage), as the necessary implementation of democracy, as the essential instrument of "leveling." The opposition of the rich to direct taxation added virulence to the reformers who plugged for it. In normal times the State is unable to overcome this well-knit, articulate and resourceful opposition. But, when war or the need of ameliorating mass poverty strains the purse of the State to the limit, and further indirect impositions are impossible or threaten social unrest, the opposition must give way. The State never relinquishes entirely the prerogatives it acquires during an "emergency," and so, after a series of wars and depressions direct taxation became a fixture of our fiscal policy, and those upon whom it falls must content themselves to whittling down the levies or trying to transfer them from shoulder to shoulder.

Even as it was predicted, during the debates on the income tax in the early part of the century, the soak-the-rich label turns out to be a wicked misnomer. It was impossible for the State to contain itself once this instrument of getting additional revenue was put into its hands. Income is income, whether it stems from dividends, bootlegging operations, gambling profits or plain wages. As the expenses of the State mount, as they always do, legal inhibitions and considerations of justice or mercy are swept aside, and the State dips its hands into every pocket. So, in Philadelphia, the political power demands that the employer shall deduct an amount from the pay envelope and hand it over. The soak-the-rich principle has been applied on a large scale to the lowliest paid worker, not only by deductions from wages, but more so through the so-called social security taxes. These, by the way, show up the utter immorality of political power.

Social security taxation is nothing but a tax on wages, in its entirety, and was deliberately and maliciously misnamed. Even the part which is "contributed" by the employer is ultimately paid by the worker in the price of the goods he consumes, for it is obvious that this part is merely a cost of operation and is passed on, with a mark-up. The revenue from social security taxes is not set aside for the payment of social "benefits," but is thrown into the general tax fund, subject to any appropriation, and when an old-age pittance is ultimately allowed it is paid out of the then current tax collections. It is in no way comparable to insurance, by which fiction it made its way into our fiscal policy, but it is a direct tax on wages.

There are more people in the low income brackets than in the high brackets; there are more small bequests than large ones. Therefore, in the aggregate, those least able to meet the burden of soak-the-rich taxes bear the brunt of them. The attempt to offset this inequity by a system of graduations is unreal. Even a small tax on an income of one thousand dollars a year will cause the payer some hardship, while a fifty percent tax on fifty thousand dollars leaves something to live on comfortably. There is a vast difference between doing without a new automobile and making a patched-up pair of pants do more service. It should be remembered, too, that the worker's income is almost always confined to wages, which are a matter of record, while large incomes are mainly derived from business or gambling operations, and are not so easily ascertainable; whether from intent to avoid paying the full tax, or from the necessary legal ambiguities which make the exact amount a matter of conjecture or bookkeeping, those with large incomes

are favored. It is the poor who are soaked most heavily by soak-the-rich taxes.

Taxes of all kinds discourage production. Man works to satisfy his desires, not to support the State. When the results of his labors are taken from him, whether by brigands or organized society, his inclination is to limit his production to the amount he can keep and enjoy. During the war, when the payroll deduction was introduced, workers got to figuring their "take home" pay, and to laying off when this net, after taxes, showed no increase comparable to the extra work it would cost; leisure is also a satisfaction. A prize fighter refuses another lucrative engagement because the additional revenue would bring his income for the year into a higher tax bracket. In like manner, every business man must take into consideration, when weighing the risk and the possibility of gain in a new enterprise, the certainty of a tax-offset in the event of success, and too often he is discouraged from going ahead. In all the data on national progress the items that can never be reported are: the volume of business choked off by income taxes, and the size of capital accumulations aborted by inheritance taxes.

While we are on the subject of discouragement of production by taxation, we should not overlook the greater weight of indirect taxes, even though it is not so obvious. The production level of a nation is determined by the purchasing power of its citizens, and to the extent that this power is sapped by levies, to that extent is the production level lowered. It is a silly sophism, and thoroughly indecent, to maintain that what the state collects it spends, and that therefore there is no lowering of total purchasing power.

Thieves also spend their loot, with much more abandon than the rightful owners would have spent it, and on the basis of spending one could make out a case for the social value of thievery. It is production, not spending, that begets production. It is only by the feeding of marketable contributions into the general fund of wealth that the wheels of industry are speeded up. Contrariwise, every deduction from this general fund of wealth slows down industry, and every levy on savings discourages the accumulation of capital. Why work when there is nothing in it? Why go into business to support politicians?

In principle, as the framers of the Constitution realized, the direct tax is most vicious, for it directly denies the sanctity of private property. By its very surreptition the indirect tax is a back-handed recognition of the right of the individual to his earnings; the State sneaks up on the owner, so to speak, and takes what it needs on the grounds of necessity, but it does not have the temerity to question the right of the owner to his goods. The direct tax, however, boldly and unashamedly proclaims the prior right of the State to all property. Private ownership becomes a temporary and revocable stewardship. The Jeffersonian ideal of inalienable rights is thus liquidated, and substituted for it is the Marxist concept of state supremacy. It is by this fiscal policy, rather than by violent revolution, or by an appeal to reason, or by popular education, or by way of any ineluctable historic forces, that the substance of Socialism is realized. Notice how the centralization hoped for by Alexander Hamilton has been achieved since the advent of the federal income tax, how the contemplated union of independent commonwealths is effectively dissolved. The common-

wealths are reduced to parish status, the individual no longer is a citizen of his community but is a subject of the federal government.

A basic immorality becomes the center of a vortex of immoralities. When the State invades the right of the individual to the products of his labors it appropriates an authority which is contrary to the nature of things and therefore establishes an unethical pattern of behavior, for itself and those upon whom its authority is exerted. Thus, the income tax has made the State a partner in the proceeds of crime; the law cannot distinguish between incomes derived from production and incomes derived from robbery; it has no concern with the source. Likewise, this denial of ownership arouses a resentment which breaks out into perjury and dishonesty. Men who in their personal affairs would hardly think of such methods, or who would be socially ostracized for practicing them, are proud of, and are complimented for, evasion of the income tax laws; it is considered proper to engage the shrewdest minds for that purpose. More degrading even is the encouragement by bribes of mutual spying. No other single measure in the history of our country has caused a comparable disregard of principle in public affairs, or has had such a deteriorating effect on morals.

To make its way into the good will of its victims, taxation has surrounded itself with doctrines of justification. No law which lacks public approval or acquiescence is enforceable, and to gain such support it must address itself to our sense of correctness. This is particularly necessary for statutes authorizing the taking of private property.

Until recent times taxation rested its case on the need of

maintaining the necessary functions of government, generally called "social services." But, such is the nature of political power that the area of its activity is not self-contained; its expansion is in proportion to the lack of resistance it meets. Resistance to the exercise of this power reflects a spirit of self-reliance, which in turn is dependent upon a sense of economic security. When the general economy falls, the inclination of a people, bewildered by lack of understanding as to basic causes, is to turn to any medicine man who promises relief. The politician serves willingly in this capacity; his fee is power, implemented with funds. Obscured from public view are the enterprises of political power at the bottom of the economic malady, such as monopoly privileges, wars and taxation itself. Therefore the promise of relief is sufficient unto itself, and the bargain is made. Thus it has come about that the area of political power has gradually encroached upon more and more social activities, and with every expansion another justification for taxation was advanced. The current philosophy is tending toward the identification of politics with society, the eradication of the individual as the essential unit and the substitution of a metaphysical whole, and hence the elimination of the concept of private property. Taxation is now justified not by the need of revenue for the carrying on of specific social services, but as the necessary means for unspecified social betterment.

Both postulates of taxation are in fact identical, in that they stem from acceptance of a prior right of the state to the products of labor; but for purposes of analysis it is best to treat them separately.

Taxation for social services hints at an equitable trade. It

suggests a *quid pro quo,* a relationship of justice. But, the essential condition of trade, that it be carried on willingly, is absent from taxation; its very use of compulsion removes taxation from the field of commerce and puts it squarely into the field of politics. Taxes cannot be compared to dues paid to a voluntary organization for such services as one expects from membership, because the choice of withdrawal does not exist. In refusing to trade one may deny oneself a profit, but the only alternative to paying taxes is jail. The suggestion of equity in taxation is spurious. If we get anything for the taxes we pay it is not because we want it; it is forced on us.

In respect to social services a community may be compared to a large office building in which the occupants, carrying on widely differing businesses, make use of common conveniences, such as elevator transportation, cleaning, heating, and so on. The more tenants in the building, the more dependent are they all on these overall specializations, and at a pro rata fee the operators of the building supply them; the fee is included in the room-rent. Each of the tenants is enabled to carry on his business more efficiently because he is relieved of his share of the overall duties.

Just so are the citizens of a community better able to carry on their several occupations because the streets are maintained, the fire department is on guard, the police department provides protection to life and property. When a society is organizing, as in a frontier town, the need for these overall services is met by volunteer labor. The road is kept open by its users, there is a volunteer fire department, the respected elder performs the services of a judge. As the town grows these extra-curricular jobs become too onerous and

too complicated for volunteers, whose private affairs must suffer by the increasing demands, and the necessity of hiring specialists arises. To meet the expense, it is claimed, compulsory taxation must be resorted to, and the question is, why must the residents be compelled to pay for being relieved of work which they formerly performed willingly? Why is coercion a correlative of taxation?

It is not true that the services would be impossible without taxation; that assertion is denied by the fact that the services appear before taxes are introduced. The services come because there is need for them. Because there is need for them they are paid for, in the beginning, with labor and, in a few instances, with voluntary contributions of goods and money; the trade is without compulsion and therefore equitable. Only when political power takes over the management of these services does the compulsory tax appear. It is not the cost of the services which calls for taxation, it is the cost of maintaining political power.

In the case of the overall services in the building the cost is met by a rent-payment, apportioned according to the size and location of the space occupied, and the amount is fixed by the only equitable arbiter of value, competition. In the growing community, likewise, the cost of social services could be equitably met by a charge against occupancy of sites within the community, and this charge would be automatically met because it is set by the higgling and haggling of the market. When we trace the value of these locations to their source we find that they spring from the presence and activity of population; the more people competing for the use of these locations the higher their value. It is also true that with the growth of population comes an

increasing need for social services, and it would seem that the values arising from integration should in justice be applied to the need which also arises from it. In a polity free from political coercion such an arrangement would apply, and in some historical instances of weak political power we find that land rent was used in this social manner.

All history points to the economic purpose of political power. It is the effective instrument of exploitative practices. Generally speaking, the evolution of political exploitation follows a fixed pattern: hit-and-run robbery, regular tribute, slavery, rent-collections. In the final stage, and after long experience, rent-collections become the prime proceeds of exploitation and the political power necessary thereto is supported by levies on production. Centuries of accomodation have inured us to the business, custom and law have given it an aura of rectitude; the public appropriation of private property by way of taxation and the private appropriation of public property by way of rent collections become unquestioned institutions. They are of our *mores.*

And so, as social integrations grow and the need for overall services grows apace, we turn to taxation by long habit. We know no other way. Why, then, do we object to paying taxes? Can it be that we are, in our hearts, conscious of an iniquity? There are the conveniences of streets, kept clean and lighted, of water supply, sanitation, and so on, all making our stay in the community convenient and comfortable, and the cost must be defrayed. The cost is defrayed, out of our wages. But then we find that for a given amount of effort we earn no more than we would in a community which does not have these advantages. Out at the margin, the rate per hour, for the same kind of work, is the

same as in the metropolis. Capital earns no less, per dollar of investment, on Main Street than on Broadway. It is true that in the metropolis we have more opportunities to work, and we can work harder. In the village the tempo is slower; we work less and earn less. But, when we put against our greater earnings the rent-and-tax cost of the big city, do we have any more in satisfactions? We need not be economists to sense the incongruity.

If we work more in the city we produce more. If, on the other hand, we have no more, net, where does the increase go? Well, where the bank building now stands there was in olden times a pigsty, and what was once the site of a barn now supports the department store. The value of these sites has risen tremendously, in fact in proportion to the multiplicity of social services which the burgeoning population calls for. Hence the final resting place of our increased productivity is in the sites, and the owners of these are in fact the beneficiaries of the social services for the maintenance of which we are forced to give up our wages.

It is the landowner then who profits from the taxation. He does indeed own the social services paid for by production. He knows it, makes no bones about it, tells us so every time he puts his lot up for sale. In his advertisements he talks about the transit facilities it enjoys, the neighborhood school, the efficient fire and police protection afforded by the community; all these advantages he capitalizes in his price. It's all open and above board. What is not advertised is that the social services he offers for sale have been paid for by compulsory dues and charges collected from the producing of the public. These people receive for their

pains the vacuous pleasure of writing to their country cousins about the wonders of the big city, especially the wonder of being able to work more intensely so that they might pay for the wonders.

We come now to the modern doctrine of taxation—that its justification is the social purpose to which the revenue is put. Although this has been blatantly advertised as a discovery of principle in recent years, the practice of taxation for the amelioration of social unrest is quite ancient; Rome in its decadence had plenty of it, and taxes to maintain the poor house were levied long before the college-trained social worker gave them panacea proportions. It is interesting to note that this doctrine grew into a philosophy of taxation during the 1930's, the decade of depression. It stamps itself, then, as the humanitarian's prescription for the malady of poverty-amidst-plenty, the charitarian's first-aid treatment of apparent injustice. Like all proposals which spring from the goodness of heart, taxation-for-social-purposes is an easy top-surface treatment of a deep-rooted illness, and as such it is bound to do more harm than good.

In the first place, this doctrine unequivocally rejects the right of the individual to his property. That is basic. Having fixed on this major premise, it jumps to the conclusion that "social need" is the purpose of all production, that man labors, or should labor, for the good of the "mass." Taxation is the proper means for diffusing the output of effort. It does not concern itself with the control of production, or the means of acquiring property, but only with its distribution. Strictly speaking, therefore, the doctrine is not socialistic, and its proponents are usually quick to deny that charge. Their purpose, they assert, is reform not revolu-

tion; even like boys whose innocent bonfire puts the forest ablaze.

The doctrine does not distinguish between property acquired through privilege and property acquired through production. It cannot, must not, do that, for in so doing it would question the validity of taxation as a whole. If taxation were abolished, for instance, the cost of maintaining the social services of a community would fall on rent—there is no third source—and the privilege of appropriating rent would disappear. If taxation were abolished, the sinecures of public office would vanish, and these constitute in the aggregate a privilege which bears most heavily on production. If taxation were abolished, the privilege of making profits on customs levies would go out. If taxation were abolished, public debt would be impossible, to the dismay of the bondholders. Taxation-for-social-purposes does not contemplate the abolition of existing privilege, but does contemplate the establishment of new bureaucratic privileges. Hence it dare not address itself to the basic problem.

Furthermore, the discouragement of production which must follow in the wake of this distributive scheme aggravates the condition which it hopes to correct. If Tom, Dick and Harry are engaged in making goods and rendering services, the taking from one of them, even if the part taken is given to the others, must lower the economy of all there. Tom's opulence, as a producer, is due to the fact that he has served Dick and Harry in a way they found desirable. He may be more industrious, or gifted with superior capabilities, and for such reasons they favor him with their custom; although he has acquired an abundance he has not done so at their expense; he has because they have. In every

equitable trade there are two profits, one for the buyer and one for the seller. Each gives up what he wants less for what he desires more; both have acquired an increase in value. But, when the political power deprives Tom of his possessions, he ceases, to the extent of the peculation, to patronize Dick and Harry. They are without a customer in the amount of the tax and are consequently disemployed. The dole handed them thus actually impoverishes them, just as it has impoverished Tom. The economy of a community is not improved by the distribution of what has already been produced but by an increase of the abundance of things men live by; we live on current, not past, production. Any measure, therefore, which discourages, restricts or interferes with production must lower the general economy, and taxation-for-social-purposes is distinctly such a measure.

Putting aside the economics of it, the political implications of this eleemosynary fiscal policy comes to a revolution of first magnitude. Since taxation, even when it is clothed with social betterment, must be accompanied with compulsion, the limits of taxation must coincide with the limits of political power. If the end to be achieved is the "social good" the power to take can conceivably extend to total production, for who shall say where the "social good" terminates? At present the "social good" embraces free schooling up to and including postgraduate and professional courses; free hospitalization and medical services; unemployment insurance and old age pensions; farm subsidies and aid to "infant" industries; free employment services and low-rent housing; contributions to the merchant marine and projects for the advancement of the arts and sciences; and so on, approximating ad infinitum. The "social good" has

spilled over from one private matter to another, and the definition of this indeterminate term becomes more and more elastic. The democratic right to be wrong, misinformed, misguided or even stupid is no restraint upon the imagination of those who undertake to interpret the phrase; and whither the interpretation goes there goes the power to enforce compliance.

The ultimate of taxation-for-social-purposes is absolutism, not only because the growing fiscal power carries an equal increase in political power, but because the investment of revenue in the individual by the State gives it a pecuniary interest in him. If the State supplies him with all his needs and keeps him in health and a degree of comfort, it must account him a valuable asset, a piece of capital. Any claim to individual rights is liquidated by society's cash investment. The State undertakes to protect society's investment, as to reimbursement and profit, by way of taxation. The motor power lodged in the individual must be put to the best use so that the yield will further social ends, as foreseen by the management. Thus, the fiscal scheme which begins with distribution is forced by the logic of events into control of production. And the concept of natural rights is inconsistent with the social obligation of the individual. He lives for the State which nurtured him. He belongs to the State by right of purchase.

Taxation's final claim to rectitude is an ability-to-pay formula, and this turns out to be a case of too much protesting. In the levies on goods, from which the state derives the bulk of its revenue, the formula is not applicable. Whether your income is a thousand dollars a year or a thousand dollars a day, the tax on a loaf of bread is the same; ability-

to-pay plays no part. Because of the taxes on necessaries, the poor man may be deprived of some marginal satisfaction, say a pipe of tobacco, while the rich man, who pays the same taxes on necessaries, will hardly feel impelled to give up his cigar. In the more important indirect taxes, then, the magic formula of social justice is non-existent.

It is applicable only in levying taxes on incomes before they are spent, and here again its claim to fairness is false. Every tax on wages, no matter how small, affects the worker's measure of living, while the tax on the rich man affects only his indulgences. The claim to equity implied in the formula is denied by this fact. Indeed, this claim would be valid only if the state confiscated all above a predetermined, equalitarian standard of living; but then, of course, the equity of confiscation would have to be established.

But no good can come of ability-to-pay because it is inherently an immorality. What is it but the highwayman's rule of taking where the taking is best? Neither the highwayman nor the tax-collector give any thought to the source of the victim's wealth, only to its quantity. The State is not above taking what it can from known or suspected thieves, murderers or prostitutes, and its vigilance in this regard is so well established that the breakers of other laws find it wise to observe the income tax law scrupulously. Nevertheless, ability-to-pay finds popular support—and that must be recognized as the reason for its promulgation—because of its implied quality of justice. It is an appeal to the envy of the incompetent as well as to the disaffection of the mass consigned by our system of privileges to involuntary poverty. It satisfies the passions of avarice and revenge. It is the ideal leveler. It is Robin Hood.

Supporting the formula is the argument that incomes are relative to the opportunities afforded by the State, and that the amount of the tax is merely payment for these opportunities. Again the *quid pro quo*. This is only partially true, and in a sense not intended by the advocates of this fiscal formula. Where income is derived from privilege—and every privilege rests on the power of the State—it is eminently fair that the state confiscate the proceeds, although it would be fairer if the state did not establish the privilege in the first place. The monopoly rent of natural resources, for instance, is income for which no service is rendered to society, and is collectible only because the state supports it; a hundred percent tax on rent would therefore be equitable. The profits on protective tariffs would be fair game for the tax-collector. A levy on all subsidized businesses, to the full amount of the subsidies, would make sense, although the granting of subsidies would still require explanation. Bounties, doles, the "black market" profits made possible by political restrictions, the profits on government contracts—all income which would disappear if the state withdrew its support—might properly be taxed. In that event, the State would be taking what it is responsible for.

But that is not the argument of ability-to-pay energumens. They insist that the State is a contributing factor in production, and that its services ought properly to be paid for; the measure of the value of these services is the income of its citizens, and a graduated tax on these incomes is only due compensation. If earnings reflect the services of the State, it follows that larger earnings result from more services, and the logical conclusion is that the State is a

better servant of the rich than of the poor. That may be so, but it is doubtful that the tax experts wish to convey that information; what they want us to believe is that the State helps us to better our circumstances. That idea gives rise to some provocative questions. For the tax he pays does the farmer enjoy more favorable growing weather? Or the merchant a more active market? Is the skill of the mechanic improved by anything the State does with what it takes from him? How can the State quicken the imagination of the creative genius, or add to the wisdom of the philosopher? When the State takes a cut from the gambler is the latter's luck bettered? Are the earnings of the prostitute increased because her trade is legalized and taxed? Just what part does the State play in production to warrant its rake-off? The State does not give; it merely takes.

All this argument, however, is a concession to the obfuscation with which custom, law and sophistry have covered up the true character of taxation. There cannot be a good tax nor a just one; every tax rests its case on compulsion.

CHAPTER XXIII

A Fifty-Year Project

ALONG CAME 1950, and the Sunday supplement writers had something new to engage their talents. The achievements of the human race, especially the American branch of it, during the first half of the nineteenth century made good copy. Every accomplishment of note, in science, art, industry and sports, received proper notice. Except one. And that one achievement of the last fifty years is far more important from the long term point of view than anything the newspapers have paid attention to. It was the transmutation of the American character from individualist to collectivist.

The replacement of the horse-and-buggy by the automobile is startling enough; but is it as startling as the contrast between Cleveland and Truman? This is not to compare the two presidents, but to point out the remarkable change of the people they presided over. Cleveland's remark that the government could not take care of the people who took care of it was made because Americans thought that way; today, the handout principle of government is accepted by all good Americans, from pauper to millionaire. At the beginning of the century the tradition of individualism that had held up since the Revolution was still going strong; by 1950, that

tradition had been washed out by the caustic of socialism.

Anybody can make a machine, but the unmaking of a national character is the work of genius. The accomplishment is too great to be ignored. A study of how it was done is in order, and it ought to be undertaken at once, before the American individualist becomes the subject of speculative archaeology. There are still some living remnants of the species, and the traces of how our forebears thought and behaved have not been entirely obliterated. A thorough analysis of the character transformation may well serve the twenty-first century in its disillusionment, and it might well help them find their way back to a sense of freedom; provided, of course, such a work should escape the bonfire of past values that always lights up the road to socialism.

At least one chapter of the book should deal with how the collectivistic seed was implanted in the soft and fertile student mind forty-odd years ago. That's how it all began. Collectivism is, after all, an idea, and the usual way of acquiring an idea is by learning. The followers of Marx are fond of saying that socialism is the inevitable product of the forces of history; but this manure of inevitability is the fertilizer they use to aid the idea of socialism in taking root after it has been planted. If the thing is to come anyhow, why have they been so assiduous in spreading the idea? Why did they bother to organize students' socialist clubs if socialism was "in the nature of things?"

Just how socialism first invaded the campus is not recorded. Perhaps a student or two became infected at some street corner and brought the germ in. The glorious promise of socialism gave it easy access to the idealistic adolescent mind, insufficiently fortified by reason or experience. At

eighteen, one is ready to take up for every underdog, real or imaginary, and the opportunity to remake the world is most inviting. Very few students paid much attention to the importation when it first appeared; one had enough to do to get over the hurdles of the rigid curriculum. Besides, one had to prepare oneself for the arduous task of meeting the problems of life as an individual. That was the reason for getting an education—to take care of yourself, not society. While that tradition prevailed socialism made little headway on the campus.

The idealistic pretensions of socialism did capture a few hearts. While its vibrant and challenging slogans fed the nascent revolutionary flame of youth, their intellectual vanity was flattered by the "scientific" claims of socialism; they knew all about surplus-value, which the others did not pretend to understand, and that made them an élite. The "science" was aided, and abetted by such fighting words as "workers of the world unite, you have nothing to lose but your chains" and the knight errantry of the fuzzy chin was aroused to the full. Truth to tell, those who espoused socialism were among the most volatile, imaginative and articulate students; the fact that they were ignored by their classmates simply added to their ardor, for it fed that sense of superiority that makes for martyrdom. They made some headway with a few, particularly those who could not break into the fraternities or could not make the varsity team.

In those early days the socialistic students were unorganized. They were held together by the bond of the unwanted, and their principal occupation was mutual conversion. When they got hold of a possible proselyte, they put him to disadvantage by ready speeches gotten out of their

extracurricula reading, mostly pamphlets, and the prospect was overpowered, not convinced. They attracted some attention by their self-assurance and by their audacity, which was their purpose in the first place. But, on the whole, they cut little figure on the campus.

Shortly after the conclusion of World War I the organized socialistic student group began to appear on the campus and the apparatus of proselytizing was set up. Unauthorized posters, advertising "noted" speakers adorned the bulletin boards, and often the promise of enlightenment was augmented by the offer of refreshments. Conversion through the media of dances and punch was found to be even more effective than through literature and argument. The membership of these clubs grew.

Between the two world wars the socialists got going on their "inevitable" idea in good earnest; they pushed it along with all the organizational ingenuity they possessed, and they possessed plenty. Lenin had taught them that one need not wait on the slow process of evolution, that history could be hurried. The teaching of "scientific" socialism was suspended and the necessity of "dynamism" was emphasized. Action for the sake of action was what counted. Marx was spoken of and revered, but far more important than an understanding of what he taught was the doctrine of solidarity and the policy of movement.

The organizers paid special attention to the mass-mind on the campus, the mind that would eventually make the rules for other people to live by. Their efforts were aided by the general disillusionment that followed the war with the Central Powers. Taking advantage of this frame of mind among the students, the socialists set themselves up as the

prophets of pacifism. Many a student became a socialist—that is, joined a socialist club—simply because he was opposed to war; which was all right with the doctrinaire leadership, whose goal was numbers, not understanding.

To make trouble for trouble's sake is a fundamental of socialist strategy, and the students' clubs followed that principle at any and all occasions. Their *esprit de corps* was thus improved. Nothing favored their purpose more than involvement in a strike. It gave them opportunity to harangue crowds, pass out leaflets, do picket duty, charge police, get themselves arrested and martyrized. It was a lark to be sure, but a lark glamorized by a "noble" purpose. Active participation in some labor trouble was a dementing influence far more effective than intellectual agreement.

By the time the New Deal came around these socialist clubs were well organized. They had become intercollegiate in scope. At national conventions the boys and girls settled all the problems of mankind, national and international, present and future. They debated and resolved, resolved and debated, and went back to their respective campuses thoroughly exalted. They attracted much attention, and among those attracted were the sons of the detested capitalist class, boys who were thrilled by the prospect of expiating the sins of their fathers on the altar of the "public good," meanwhile flattering their egos by the attendant publicity. Money to carry on the socialistic crusade was thus made easier to come by.

The effects of two decades of organization and propaganda soon became evident. Thousands of graduates of these socialistic clubs had gone out into the world. It was natural that they should enter fields in which ideas and

opinions are the main stock in trade, and where training in organizational methods came in handy: the teaching profession, labor unions, social work, law and politics, and, most important, the publishing business. Working themselves into important positions, they eased the way for a supporting cast recruited from the socialist clubs. Jobs for the faithful became plentiful; for non-believers the opportunities became more difficult. Since the third decade of the century, therefore, a pedagogue of known individualistic tendencies has found employment difficult, and an anti-statist writer has found little market for his wares. If a book of that type does get into print, it is given short shrift by the reviewers (graduates of the socialist clubs), and its chances for wider readership are thus choked off; on the other hand any piece of socialistic bilge is boosted into a masterpiece. The clan takes care of its own.

The New Deal was the product of this extra-curricular work in the colleges. When the "emergency" hit Mr. Roosevelt, he had nobody to turn to for advice but the graduates of the socialist clubs. The business men were in the main devoid of any knowledge of fundamental economics, and were too bewildered by the turn of events to be of much use in the situation. The loud-mouthed theoreticians were more sanguine; besides, the books they had had published qualified them as "experts." It would be interesting to know how many of the professors who came to the aid of Mr. Roosevelt had been associated with the socialist clubs in their college days.

The apparatus of the New Deal was most favorable for the "inevitable" idea, for it provided the sustenance necessary for effective propaganda work. No longer were the

socialist workers dependent for their living on voluntary contributions; the taxpayer now fed them well, and they worked better on full stomachs. Thus it has come about that a bright young man cannot afford to entertain individualistic ideas, assuming that he has hit upon them, because such ideas carry a decided economic disadvantage. The best jobs go to those most loyal to the new Americanism.

The character of a nation reflects the way it thinks. American thought in 1950 is collectivistic because the seed of that kind of thinking was planted in the most receptive minds during the early years of the century. What we have now is the fruition of careful and assiduous husbandry.

The climate of the times favored the socialists. They could point up the manifest injustices and incongruities that had developed under the prevailing system of private property, which made no distinction between property gained through productive effort and property acquired by political privilege. The growth of monopolies, the ruthlessness of their practices, presented an easy indictment of private property as a whole. It was a damaging indictment and the heart of youth was so touched by it that calm examination and analysis was precluded. The fact that monopoly is the product of politics, and that socialism was the ultimate of politics, did not occur to them, and the monopolists were in no position to bring up the matter. Socialism, of course, proposes to substitute public for private monopoly, claiming that with the "profit motive" eliminated the evils inherent in monopoly would disappear. The inference is that under socialistic management monopoly would be an instrument for public good only; which is a variation of the "chosen

people" doctrine, and that catered to the conceit of the neophyte socialists.

Then the obvious incongruity of the "boom and bust" economy helped the socialistic idea along, particularly as it came up with a plausible explanation and a cure; the going capitalism could offer neither. Again, the recurrence of war under capitalism was a condemnation that youth could understand, and since socialism insisted it had a preventative it was accepted sight unseen. Youth loves, never analyzes, a panacea.

Abysmal ignorance of their own philosophy, plus a smug complacency, put the practicing capitalists at a disadvantage in meeting the challenge of youth. They had been in the driver's seat too long to consider dislodgement a possibility. Somewhere hovering over their beclouded heads, but not bothering them at all, were the ideas of Locke, Adam Smith, Jefferson and the other libertarians of the preceding two centuries; these were like heirlooms gathering dust in the closet and never taken out for examination or appreciation. The only economic ideas the capitalists had a working acquaintance with were those conducive to piling up profits, like protective tariffs and other special privileges. As for the doctrine of natural rights, which is the foundation of capitalistic thought, it meant nothing to them except the right to exploit their fellow-man. Preoccupation with the business of making money, by any and all means, dulled whatever intellectual capacity they might have had. The best they could offer to inquiring youth was their own affluence as a demonstration of the excellence of the *status quo,* which youth could see was far from excellent.

Under the circumstances, the idea of socialism took root and flourished. The question now, at the half-century mark, is whether it is destined to crowd out the remaining vestiges of individualism in the American culture. It would seem so. But, socialism is only an idea, not an historical necessity, and ideas are acquired by the human mind through education. We are not born with ideas, we learn them. If socialism came to America because it was implanted in the minds of past generations, there is no reason for assuming that future generations will come by that idea without similar indoctrination; or that the contrary idea cannot be taught them. What the socialists have done can be undone, if there is a will for it. But, the undoing will not be accomplished by trying to destroy established institutions. It can be accomplished only by attacking minds, and not the minds of those already hardened by socialistic fixations. Individualism can be revived by implanting the ideas in the minds of the coming generations.

So then, if those who put a value on the dignity of the individual are up to the task, they have the most challenging opportunity in education before them. It will not be an easy or quick job. It will require the kind of industry, intelligence and patience that comes with devotion to an ideal. And the only reward they can hope for is that by the end of the century the socialization of the American character will have been undone. It is, in short, a fifty-year project.

Perhaps the job should be begun by going after the preadolescent mind, even in the kindergarten grade. The socialists, it may be recalled, did not neglect to turn nursery rhymes to their use, and since the advent of the comic strip,

the communists (or advanced socialists) have employed this medium of indoctrination. But, that is a specialized effort that could be well deferred until the college mind, the mind that will soon enter the active arena, is taken care of. The assault must begin on the campus.

Assault is the proper word, and the proper attitude, for the proposed job. The possibility of winning over the faculty might well be dismissed, simply because the faculty is largely beyond redemption; it is both the cause and the effect of the condition that is to be corrected. The professor is by and large a product of the socialistic clubs and socialistic education of the 1920's and 30's, and thus is committed to perpetuate that line. Here and there an atavism will be found, and it will be welcomed; but the safe thing to do is to write off the faculty. That tactic, moreover, will find favor with the students, particularly those endowed with the gift of intellectual curiosity; to be able to controvert the dicta of the professor is always a sophomoric delight. To win the student over to the idea of individualism it is necessary to equip him with doubts regarding the collectivistic doctrines insinuated in the lecture rooms, or the text books. If the suggested undertaking should apply itself to a refutation of the "adopted" texts, especially in the fields of economics and government, a veritable revolution could be started on the campus; socialism is replete with dictates unsupported by empiric data, and therefore lends itself to easy refutation.

The apparatus for initiating the project suggests itself. It would consist of a lecture bureau manned by a secretariat and a corps of competent lecturers. The business of the bureau would be to arrange for lectures on the campus.

The lecturers—who might also be organizers, though this is not necessary, since the students interested in the subject would organize themselves—would have to be acquainted with socialistic theory, so as to point out its fallacies. Whatever the subject matter of the lecture, the doctrine of the primacy of the individual must be emphasized; thus the student will be presented with a point of view not met with in his text book and will be able to challenge the text and its professorial protagonist.

However, it is unnecessary in throwing out the idea to detail an entire program. Once started, the project would develop momentum of its own; the students will see to that themselves. It might be suggested that the lectures be followed, or preceded, by the organization of Individualistic Clubs, and that intercollegiate affiliation be instituted. Prizes for essays on individualism would do much to stimulate thought, and a publication offering an outlet for articles would be necessary. Out of such activities would come an *esprit de corps,* based on the understanding and enthusiasm for a "new" idea. The individualist would become the campus radical, just as the socialist was forty years ago, and the halo of intellectualism would descend on his brow.

Is the effort worth while? To which one could offer as answer another question: What in life is more worth while than the pursuit of an ideal?

CHAPTER XXIV

Our Revolutionary Children

THE FOREGOING CHAPTER, originally written for an organization interested in educational reform, was re-written for *Human Events* and given a new title: "For Our Children's Children." The article attracted considerable attention, and one reader sent me a check for $1,000 to finance the start of these suggested student organizations. Not being temperamentally equipped for organizational work, I did not know what to do about it, and kept the check in my desk for some weeks. I contemplated returning it with thanks. But, one day I mentioned the matter to a member of the staff of the Foundation for Economic Education, which was then publishing some pamphlets on the free economy and limited government, and he suggested a *modus operandi* which solved my problems: I was to spend the money to get the names of interested students and the Foundation would put them on their mailing list. So, I incorporated the Intercollegiate Society of Individualists and began operations.

We started with some 600 names of students, gathered here and there, and in ten years, after a number of vicissitudes, the organization has acquired a list of some 12,000 names. As graduates are dropped, new students take their place, and altogether some 30,000 have been serviced. Also,

my original idea of organizing the students into groups has taken form, and lecturers teaching various phases of the philosophy of individualism are being sent to the campuses. I do not have much to do with the work, acting merely in an advisory capacity, having long ago turned over the managerial job to a young man with vision and dedication. The principal on which ISI operates is characteristic of the philosophy of individualism; namely, that there is in the nature of things an "educable elite," a self-selective group of minds that are inclined to ask questions about fundamentals and of hearts that yearn for freedom. Students must ask for the literature sent to them and are periodically asked if they wish to have their names dropped from the mailing list. Nothing is required of the students other than that they read the literature. The campus groups are loosely organized, and their activities are neither directed nor supervised. Some issue their own publications, others go in for campus politics, and a few concern themselves with public issues; all of them take a hand in promoting lectures.

All in all, within the last few years a ferment of what is called "conservatism" has appeared on the campus. I do not know whether the effort of ISI have caused this phenomenon, or whether ISI came along at the right time to capitalize on the inclination of youth toward revolution. It is about time for a change in the thought pattern to manifest itself. I came into this world when freedom was taken for granted, and in due time saw how youth began questioning the validity of freedom, how their questioning led to the introduction of socialistic institutions, and toward the end of my life I now see these institutions being challenged by a new crop of young minds. Imbedded in every revolution are the

seeds of another. No sooner do men settle down at a given set of ideas, a pattern of living and thinking, than fault-finding begins, and fault-finding is the tap-root of revolutions.

Many reasons are offered in explanation of this historical restlessness. One reason that will serve as well as any other is that we are all born young, very young. It is the natural business of the young mind to ask "why," and since nobody has answered that question with finality, the field for speculation is wide open. And so, as youth finds flaws in the going answers it makes up its own, and because they are new, as far as youth is concerned, they are guaranteed against flaws. Somehow, the flaws do show up and another generation mounts its hobby horse in quest of the Holy Grail, the Brave New World. Revolution is inherent in the human make-up.

Suppose we came into this world with all the disabilities and disillusions of, say, the age of sixty. In that event, mankind would never have moved out of its cave apartments, never would have heard of the atom bomb or the New Deal. The only function of old men—or, at least, their only occupation—seems to be to find fault with the panaceas that possessed them in their youth. The price of experience is the loss of faith. With disillusionment comes resistance to change, and the obstinacy goes so far as to find fallacies in the infallible ideas of their sons. Nevertheless, youth hangs on to the ideas in which it has a proprietary interest and change does come.

A revolution is a thought-pattern born of curiosity and nurtured on an ideal. Every generation dreams up its own thought-pattern and attempts to institutionalize it, but be-

cause the preceding generation hangs on to what it is used to, the transition from the old to the new must be gradual. From the perspective of history it seems that on a certain date one revolution died and another was born. We think of the nineteenth century, with its ideas on natural rights and laissez-faire economics, as suddenly ushering in a reversal of the feudal tradition. But, the Voltaires and the John Lockes and the Mills were plowing and planting some time before 1800, and if you do some digging you'll find the roots of the nineteenth century in earlier times. Even so, while we are enjoying, or rueing, our own revolution it is a certainty that youth is critical of it and is building its successor.

There is a measure of fun, if you are inclined that way, in trying to discern in the prevailing current of ideas the direction of the next revolution. It is an interesting game, even though you know you cannot be on hand to say "I told you so." It is a game that takes the bitterness out of disillusion and robs pessimism of its gloom.

Our own revolution, the one that seems to have started on the first day of January, 1932, is identified with the doctrine of collectivism. Briefly, the doctrine holds that improvement in our way of life is attainable only if we discount the individual in favor of the mass. The mass is all that matters. The doctrine does not deny the existence of the individual, but relegates him to the status of a means, not an end. To support itself, the doctrine takes refuge in the psychological theory of environmentalism, that the individual is only the product of the mass, that he could not function except as an accessory of the mass.

The mass, however, is lacking in a self-propelling force and is in need of some pushing. For that purpose a political

machinery comes into existence, preferably by way of something called the democratic process. The individual serves the march of progress by submitting himself to the direction of that machinery. In the end, the doctrine holds, the individual will prosper because of the equal distribution of the abundance that comes from collective action under the aegis of the political machinery.

That is the central idea of our current tradition. It is the idealization of the mass and the negation of the individual; its *modus operandi* is political action; its goal, as always, is the undefined Good Society.

So dominant is the doctrine in our thinking that it amounts to a dogma. It is implied, if not explicitly stated, in every field of thought. The aim of modern pedagogy is not to prepare the individual for his own enjoyment of life, but to better serve the mass; the psychologist makes adjustment to mass-thought the measure of healthy living; jurisprudence puts social responsibility ahead of individual responsibility; the economist studies institutions, not people; philosophy rejects speculation as to the nature of man or the meaning of life as effort that might better be put to the practical problems of society. Ours is the culture of the "all" rather than the "one."

The end-result of this kind of thinking, the practical result, is the worship of the State. This is the necessary consequence of the idealization of the mass, for since the mass can operate only under political coercion, then that coercion becomes the necessary condition of all life. The State is a self-sufficient agent. It operates on a plane higher not only than that of the individual but also higher than that of the mass. It is not only super-personal, it is super-mass. The

State, then, is the modern golden calf, with this essential difference, that its power is demonstrable, not assumed; it does guide, direct and control all of us. Hence, we adore it, make sacrifices to it and hardly question its infallibility, even though we might point out imperfections in the current hierarchy. The reigning president may be in error, but the State can do no wrong.

Just how far out current revolution has gone along this path is seen when we make comparison with that of the nineteenth century. The dominant doctrine of that era held the individual to be the be-all and end-all of all life. He was the only reality. Society was not a thing in itself, but was merely an agglomeration of individuals working cooperatively for their mutual betterment; it could not be greater than the sum of its parts. The individual was not the product of his environment, but the responsible master of it.

The nineteenth century had a dogma, too, and it went by the name of "inalienable rights." These were held to be personal prerogatives, inhering in the individual by virtue of his existence and traceable to God alone. Government had nothing to do with rights except to see that individuals did not transgress them; that was the only reason for government. Its functions were purely negative, and when it presumed to act positively in the affairs of men it was not minding its own business; it should be called to account.

In the practical affairs of men, doctrines and dogmas have a way of losing their virtue; even integrated philosophies fall apart when men start applying them. The individualism of the nineteenth century suffered considerable mayhem, even from those who paid it homage—the advocates of laissez-faire. Their insistence on doing as they pleased

turned out to be insistence on the right to exploit others, a right they could not exercise without the help of the very State they were pledged to hold in leash. They built up the power of the State by demanding privileges of it.

By the middle of the nineteenth century, this privilege-business had given individualism a bad character. The reality was far short of the earlier dream. Youth was quick to detect the faults of individualism as practiced, condemned it, and went to work on its replacement. The cure-all they hit upon was the doctrine of equalitarianism. Curiously, they promoted the new idea in the name of natural rights; if we are all endowed equally with the quality of rights then it follows that we have a right to what everybody else has. That was, at bottom, not only a revolt against the injustice of privilege, but also a rationalization of the sin of covetousness. At any rate, equalitarianism called for an extension of privilege, not the abolition of it; and since privilege is impossible without political coercion, the equalitarians turned to the State for support. All kinds of reforms were advocated and all of them strengthened political power at the expense of social power. It never occurred to those who, like Dickens, struck a blow for bigger and better "poor laws" that they were preparing the ground for social security, which reduces the individual to wardship under the State. Meanwhile, Karl Marx was developing his rationale for collectivism. The collectivistic revolution was born in the matrix of individualism.

That is the point to keep in mind when we speculate on the future, that revolutions are born in revolutions. And they are always being born. Curious youth never fails to detect inadequacies in the tradition it inherited and is impatient

to write a new formula. On paper, the formula is always perfect, and perhaps it would work out as predicted if the human hand would not touch it. Take the case of liberalism (nineteenth century,) which was the political expression of the individualistic thought-pattern. At the beginning, when liberalism was emerging from its adolescence, its only tenet was that political intervention in the affairs of men is bad. Hence, it advocated whittling away of the power of the State, without reserve, and proposed to abolish laws, without replacement. This negativeness was all right until the liberals got into places of power, and then it occurred to them that a little positive action might be good; only the laws enacted by non-liberals were bad. The fact is—and this is something the State worshippers are prone to forget—that the comforts, emoluments and prerogatives that go with political office have great influence on the shaping of political policies; for the State consists of men, and men are, unfortunately, only human. And so, liberalism mutated into its exact opposite by the beginning of the twentieth century. Today it is the synonym of Statism.

Who knows what revolutionary ideas youth is toying with right now? We live entirely too close to the present to judge the direction of its currents. We are either pessimists or optimists and in either case are poor witnesses. Those of us who are enamored of the "good old times" point to the prevalence of socialistic doctrine as evidence that the "world is going to hell," while proponents of socialism take the same evidence as proof of the immediacy of their millennium. Both sides are probably in error. It should be remembered that the present crop of teachers, who are also the

writers of text books, are the product of the socialistic revolution in the early part of the century, and are necessarily convinced of its virtue. Their denial of natural rights, for instance, is as natural as was the espousal of that doctrine in 1850. However, the pessimists can take comfort in this fact, that though the professors do exert some influence on their students they cannot stop curiosity. If the history of ideas is any guide to the future, we can be sure that a change is in the making, that youth is brewing a revolution; it has been at the job since—well, since Socrates was accused of undermining the morals of the young.

To predict with any accuracy the revolution of the twenty-first century would require the equipment of a prophet. But, and here again relying on the evidence of history, we are on safe ground in anticipating a renaissance of individualism. For, the pendulum of socio-economic thought has swung to and fro over the same arc since men began to live in association, and there is no warrant in believing that it will fly off in a new direction. Modern collectivism—going by the various names of communism, fascism, socialism or the less frightening "controlled economy"—is in many superficials quite different from the "divine rights of kings"; but in their common rejection of the individual the two frames of thought are alike. Or, the individualistic doctrine of salvation that tarnished the glory of Rome had none of the economic overtones of nineteenth century individualism; but, though theologians might object to the observation, the underlying idea of salvation is the primacy of the individual, not the collectivity, and that is easily translated into the free economy. A discarded tradition never returns in its

former garb; in fact, it takes a lot of disrobing to recognize it. Only an historical expert can trace the New Deal of Modern America to the New Deal of Old Rome, or to recognize Sparta in Moscow.

Whatever the character of the new revolution may be it will not show itself until the present revolution has run its course. There is some disposition to stop it in its tracks, but that is in the nature of things a futile occupation. Even the opposition to the present collectivistic trend is tainted with it, as it must be. Those who fight socialized medicine tooth and nail would fight equally hard any effort to drop socialized education, unable to see that both institutions are cut of the same cloth; and those who view with alarm the teaching of collectivistic doctrine in our public schools are plugging for a politically-managed curriculum more to their own liking. Likewise, while the "free enterprisers" rail against the subvention of farmers they are strong for the subvention of manufacturers through tariffs. We are immersed in the prevailing tradition, and until it wears itself out and is replaced by something new, nothing can be done about it. The best we can do is to find fault, which is the preliminary to the coming revolution.

Of this, however, we can be sure: enrolled in some nursery or freshman class right now is a Voltaire, an Adam Smith, a John Locke or a Godwin, some maverick who will emerge from the herd and lead it to new pastures. Youth, as always, is in a ferment, is dissatisfied with things as they are. Well, since the only direction youth can go is away from the current collectivism toward its opposite, those who cherish the individualistic stock of values must try to peddle them to these embryonic revolutionists. We must polish up our

ancient arguments, apply them to the current scene and offer them as brand new merchandise. We must do a selling job. Youth will not buy us out, lock, stock and barrel, but will be rather selective about it; they will take what seems good to them, modernize it, build it into a panacea and start a revolution. God bless them.

As a vocation, peddling has long since gone out of style in this country, and the image of the peddler that has remained is not a glamorous one. Yet, the peddler must be given credit for helping to build the great American economy. He began his enterprise by bringing to the hinterland a modest pack on his back, as much as he had capital for, selling the contents and returning to his distributing point as soon as possible. He lived frugally, saved much of the proceeds of his sales, and invested his savings in a larger
pack.

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