

THE
Freeman

JANUARY 11, 1954

25¢

The Inside Story:

**Tito's Secret Alliance
with Moscow**

Bogdan Raditsa

Disorder at the White House

C. Dickerman Williams

The Future of the G. O. P.

A Poll of Political Editors

You *HAVE* Fire Insurance

—*because* you would consider it the most reckless kind of imprudence *not* to have it. In order to get it, and as a mere matter of common sense, you have taken all reasonable precautions against destruction of your home or your factory by fire. You have installed proper insulation, fireproof materials, a sprinkler system, fire extinguishers; and through taxes you contribute to the maintenance of a fire department. For you know that the fire department protects you when it puts out a fire that started in your neighbor's home or plant.

The FREEMAN performs for private enterprise the kind of protection, in the economic, political, and intellectual realm, that fireproofing and a fire department perform in the physical realm. It applies cool analysis to demagogic and inflam-

matory ideas, or pours cold water on them before they have made too much headway. It sets forth an economic philosophy which, if it were widely enough understood, would fireproof public opinion against misguided and destructive proposals. And it indirectly protects you and your business when it defends your neighbor's firm or business against unjustified attacks.

Are you contributing your share to the support of the FREEMAN? Are you willing to pay a premium of \$5.00 a year (our subscription rate) to protect yourself and your friends from destruction by some economic or political craze that, in the absence of economic knowledge and a resistant philosophy, can suddenly sweep like a prairie fire, burning in its path what it has taken generations to create?

INSURE NOW!

SUBSCRIBE TO THE FREEMAN — 240 MADISON AVE., NEW YORK 16, N.Y.

THE Freeman

*A Fortnightly
For
Individualists*

Editor HENRY HAZLITT
Managing Editor FLORENCE NORTON

Our Contributors

BOGDAN RADITSA served for many years as a diplomat for the prewar government of Yugoslavia, before becoming Foreign Press Chief for Marshal Tito at the end of World War Two. In that capacity he knew intimately the present leaders of the Yugoslav army and state. He quit Tito in 1946 in protest against Communist terrorism. He is now living in New York and is professor of Modern European History at Fairleigh Dickinson College.

C. DICKERMAN WILLIAMS, as General Counsel of the U.S. Department of Commerce from 1951-53, had ample opportunity to observe the functioning of the Office of the President. His careful scrutiny of it (p. 266) demonstrates its unconstitutional aspects and throws a new light on the maneuvers behind the White case.

WILHELM ROEPKE is well known both as economist and sociologist, and author, among other books, of a monumental trilogy, of which two volumes, *Civitas Humana* and *The Social Crisis of Our Time* have appeared in English.

MAX EASTMAN, in his days as a magazine editor, became acquainted with the newspaper magnate, E. W. Scripps, and was sometimes subsequently treated to whole days of the old man's vivid and intellectually lively conversation. On the basis of this personal memoir, he has written a portrait of this little known great man for the FREEMAN.

R. G. WALDECK has sent us another of her "Letters" from foreign capitals, this one from Vienna, interpreting recent political developments.

EUGENE LYONS, editor and journalist, spent six years (1928-34) in Moscow as a correspondent. His studies and writings since that time have won him a high place among our foremost authorities on Communism and Soviet Russia. His books include *Assignment in Utopia*, *The Red Decade*, and a biography of Stalin.

ROBERT DONLEVIN, in our issue of September 21, discussed the much-asked question: "Has Russia Got the A-H Bombs?" Since his return from Paris last spring, he has been a frequent contributor to the FREEMAN.

MICHAEL T. FLORINSKY, who is a professor of economics and economic history at Columbia University, has written extensively on the governments and economic systems of contemporary Europe. A review of his most recent work, a two-volume history of Russia, appeared in the FREEMAN of November 16.

J. DONALD ADAMS has, since his college years, spent all the time he could spare from his activities as editor and literary critic to living among the American Indians. He is currently preparing a book to include the fruits of these observations and studies.

Contents

VOL. 4, NO. 8 JANUARY 11, 1954

Editorials

The Fortnight	257
The Nation's Economy, 1954	259
The Shadow of Yalta	260
Beria Down, Who to Go?	261
Curious Secrecy	261
Trader Dulles	262

Articles

Tito's Secret Alliance with Moscow	BOGDAN RADITSA	263
Disorder at the White House	C. DICKERMAN WILLIAMS	266
The Future of the G.O.P.	A POLL	269
Free Economy and Social Order	WILHELM ROEPKE	271
My Friend E.W.	MAX EASTMAN	274
Foreign Office Mystery	R. G. WALDECK	277

Books and the Arts

Harold in Wonderland	JAMES BURNHAM	279
The Real Russia	EUGENE LYONS	280
Atom Spells Confusion	ROBERT DONLEVIN	281
Europe's Economic Record	MICHAEL T. FLORINSKY	282
Indian Tragedy and Splendor	J. DONALD ADAMS	283
Briefer Mention		284
Capitalists on Broadway	SERGE FLIEGERS	285

From Our Readers	256
------------------------	-----

THE FREEMAN is published fortnightly. Publication Office, Orange, Conn. Editorial and General Offices, 240 Madison Avenue, New York 16, N. Y. Copyrighted in the United States, 1954, by the Freeman Magazine, Inc. Henry Hazlitt, President; Lawrence Fertig, Vice President; Claude Robinson, Secretary; Kurt Lassen, Treasurer.

Entered as second class matter at the Post Office at Orange, Conn. Rates: Twenty-five cents the copy; five dollars a year in the United States; nine dollars for two years; six dollars a year elsewhere.

The editors cannot be responsible for unsolicited manuscripts unless return postage or, better, a stamped, self-addressed envelope is enclosed. Manuscripts must be typed double-spaced.

Articles signed with a name, pseudonym, or initials do not necessarily represent the opinion of the editors, either as to substance or style.

Printed in U.S.A., by Wilson H. Lee Co., Orange, Connecticut.

Put this
Question
before
Congress
NOW!



Why Don't You Stimulate Individual Enterprise

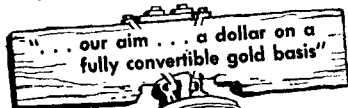
by returning to the
GOLD COIN STANDARD?

INDIVIDUAL enterprise flourishes only when risk can be calculated, and when earned rewards can be retained. Calculation is impossible when the medium of measurement—money—is unreliable. And rewards—paid in currency of shrinking value—are as tenuous as the smokescreen created by the fire of inflation.

The Federal administration was elected on promises of sensible economics and sound money. The best way to fulfill these promises is by enactment of the Gold Coin Standard. The best time to do it is now.

The right to redeem currency for gold coin is fundamental in a free economy. It gives the people sovereignty over government. When displeased with government financial practices, they can automatically halt monetary inflation by cashing in their currency for gold coin.

Excerpt from Republican
"Monetary Policy" Plank



* The right to redeem currency for gold will help keep America free... ask your Senators and Congressman to work and vote to restore the Gold Coin Standard. Write to The Gold Standard League, Latrobe, Pa., for further information. The League is an association of patriotic citizens joined in the common cause of restoring a sound monetary system.



For twenty years the recently deposed federal administration held this power away from the people. During those years, the purchasing power of the dollar declined about 60%.

Improvements in industrial productivity during the same period helped to mitigate the effects of the dollar's shrinking value. For example, Kennametal—super-hard cemented carbide introduced in 1938, has tripled the output potential of metal-working and mining industries. But, it is a losing battle.

The President, important Cabinet members, Senators, and Congressmen have recognized the inherent rightness of return to the Gold Coin Standard.* Why, then, should legislative action on it be delayed? The United States owns 65% of the world's gold—\$11 in gold for every \$100 of currency and bank deposits.

Returning to the Gold Coin Standard will demonstrate to our citizens that its government has faith in them—will win the world's respect for our monetary might—will encourage individual enterprise and stimulate American industry, of which Kennametal Inc. is a key organization, to contribute ever-increasing benefits to all our people.

We must resume without devaluation or delay.

KENNAMETAL Inc.
Latrobe, Pa.

WORLD'S LARGEST Independent Manufacturer Whose Facilities are
Devoted Exclusively to Processing and Application of CEMENTED CARBIDES

FROM OUR READERS

Why the Dollar Shortage?

An Oscar to Milton Friedman's "Why the Dollar Shortage?" on December 14. His scalpel reaches the pus in this situation when he says: "There can not be a shortage except at some fixed price."

How to get this truth understood by more people? Everyone knows about auctions of household goods. They're a lot of fun, and you learn something besides. When an auction is over, everything has been sold. No burdensome surplus left of idle goods or idle workers. Why? Because a free market was permitted to do its stuff.

But if the seller puts a price floor under his goods, it is likely that a lot will remain unsold. The seller then complains bitterly of a dollar shortage and goes weeping to the politicians for a "Marshall plan" to compensate for the shortage of dollars he did not get for the goods he would not sell in a competitive free market.

An auction may be painful to grandma when her pet item sells perhaps for only a quarter, when she wanted a dollar. Nevertheless it did clear the deck and maximized trade. This, in the long run, benefits everyone, including grandma.

Evanston, Ill. SAMUEL B. PETTENGILL

"Gobbledegook" strikes me as the apposite word to characterize the article "Why the Dollar Shortage?" by Milton Friedman (December 14). It is obvious without two and a half pages of turgid argument that abolition of governmental controls over rates of exchange is desirable as a step toward a free economy, but it is also obvious that this is only a preliminary step, a palliative.

The article reminds me of the admonition I once heard from a professor of engineering. "Don't base accuracy on inaccuracy. Don't base stability on variables."

The inaccuracy, the variable, in this situation is irredeemable currency. Until there is re-established a stable unit of value, in other words the gold standard, rates of exchange, even in the absence of governmental controls, depend on the juggling of kaleidoscopic factors.

No country has ever yet been able to get away with irredeemable currency and fiat money. Our country was saved twice from disaster; once by the resumption of specie payments in 1873, and by the defeat of the Bryan free-

(Continued on p. 286)

THE Freeman

MONDAY, JANUARY 11, 1954

The Fortnight

We opened a door to the Soviets and, after some fumbling, they walked in. At first, after President Eisenhower's ill-advised offer to pool atomic resources with Soviet Russia and anybody else, Moscow turned thumbs down on the proposal. If the Soviets had stuck to this rejection, we could have congratulated the Administration on its undeserved luck. Now, however, the Russians have come through with a ponderous reply; in the wishfully phrased report of the *New York Times*, it was "free from vituperation, was fairly well balanced and seemed to invite discussion." Thus the four-power conference in Berlin, which the Soviets accepted but postponed to January 25, gives Moscow further opportunity to exercise its new tactics.

Ever since Stalin's death the greatest danger has been that the Soviets would play shrewdly and softly, rather than bluntly and rambunctiously. Last April a cleverly-phrased *Pravda* editorial forecast a policy that would enable Moscow to play upon the gullibility of the West. Since then, the Soviets have seesawed between their old violent reflexes and a new line of honey rather than vinegar. Their flattering words in the atom note calling Eisenhower an "outstanding military leader," should warn the President that our adversaries are sniffing the heady scent of our appeasement. Secretary Dulles' view that the note from Moscow offers "good ground for hope" is hardly encouraging.

France at last succeeded in picking a President, but Switzerland, with none of the French atmosphere of crisis and name-calling, quietly chose a new President while the French balloting was going on. His name, for the benefit of the curious, was Rodolphe Rubattel, but Americans are unlikely to see his name in the newspapers in 1954 any more than they have been seeing that of his predecessor, one Philippe Etter. Yet this country with an anonymous President who serves for only a year is perhaps the most prosperous in Europe, and one of the best governed and most

stable politically in the whole world. Americans have been told constantly in the last twenty years that they need a "strong" executive (a very ambiguous adjective), who will supply "leadership" by ruling Congress with a "firm" hand. The alleged need for more and more concentration of power in the executive is surely not supported by the Swiss example.

With a retrospect of futile wrangling and propaganda tirades at Panmunjom and a prospect of more of the same at Berlin, it might be worthwhile for Mr. Dulles to take a look at the way Charles Evans Hughes cut short Communist methods of stalling and haggling. When the Soviet government in 1923 tried to draw the United States into a discussion of recognition Mr. Hughes observed that there was really nothing to discuss. If the Soviet government wanted to compensate American citizens for stolen property and repudiated debts and stop propaganda for the overthrow of the American government, it could do so. Otherwise there was no occasion for talk. It is doubtful whether any statesman during the last three decades has found a better means of telling Moscow and Peiping to put up or shut up.

The butter support program is back in the news, with the Agriculture Department's latest idea of selling butter as a cocoa butter substitute. No one knows for sure just how much or how little of a dent any such program can make in the government's huge butter stocks; by year's end, the Commodity Credit Corporation held 249,629,000 pounds of butter—most of it purchased during the present Washington Administration at the rate of 66¼ cents per pound. This represents a total outlay of \$165,379,000 of taxpayers' money invested in a highly perishable commodity. Congress has until April 1 to find a way out of the butter glut. The country managed to get out from under the potato support plan after the excesses of dumping and smuggling had been reached. An end to butter stockpiling is long overdue.

The nation's cotton growers, who have just voted in favor of acreage control, ought to look at what

happened to winter wheat. Just about the time the cotton men cast their votes overwhelmingly in favor of the Department of Agriculture's 1954 production and marketing controls, reports from the wheat states showed that the effect of acreage controls had been nullified by favorable weather. Secretary of Agriculture Benson has proclaimed an allotment of 17,910,484 acres for cotton, calculated to produce a crop of 10,000,000 bales this year. That is a substantial cut. In 1953, the cotton lands under cultivation added up to 24,600,000 acres and produced an estimated crop of 16,300,000 bales. But the example in the wheat fields ought to teach all of us that the sun and the rain are quite unaware of crop control schemes. As long as the elements manage to avoid federal controls, the weather will cast its vote in favor of a free market.

If there is any perceptible benefit at all of the U.N., it is the free-wheeling discussion that sometimes takes place in the Assembly. A recent illustration was the statement of a Soviet delegate, G. P. Arkadyev, that he could tell the Assembly Economic Committee how many restaurants would open in the Soviet Union next year. Meant as a boast, this declaration exposed the Achilles heel of the planned economy. Anyone who had lived in the Soviet Union could have told the Economic Committee, with still more assurance, that the quality of food and service in these restaurants would vary from drab, unappetizing mediocrity to unspeakable badness. A good restaurant is a product of individual genius and free competition. It will certainly never result by the decision of some government committee to open so-and-so many restaurants according to plan rather than need.

Albert Einstein has in the past exhibited a highly selective sense of injustice. His denunciations of Nazism, from the secure and profitable haven that we granted him among us, were many and eloquent. He has been too busy with differential equations, world government, and front organizations to issue any matching statements on Soviet slave camps, Moscow purge trials, or Korean germ warfare charges. His heart bled for the Rosenbergs, but not for the future victims of their treachery. Now Einstein is blossoming into a new role as expert on United States constitutional principles. Early in 1953 he publicly advised all "intellectuals" to refuse to testify before congressional committees, and to base their refusal on the First, not the Fifth, Amendment. A few weeks ago he specifically so advised Albert Shadowitz, who had been subpoenaed to appear before the Permanent Subcommittee on Investigations. Shadowitz followed the Einstein advice in refusing to answer whether he had been a Communist Party member while working on secret military projects at the Aberdeen Proving Grounds and elsewhere. We assume that the Senate

will speedily initiate contempt proceedings for this flagrant defiance of our orderly and traditional processes of government. It would be in order to remind Dr. Einstein that his advice is base collusion in the commission of a crime against the government to which he owes his safety, his freedom, his good fortune, and his life.

For some years Angus Cameron, a man with a list of "front" affiliations that must have rivaled Paul Robeson's, was editor-in-chief of an old established publishing house. In this post he pulled off one of the slickest jobs of cultural infiltration on the record. Book after book that toed the party line came off the presses of this reputable firm. Now that this job has been thoroughly exposed in a documented survey by *Counterattack* and Mr. Cameron's connection with the publishing house has ended, he has gone into publishing partnership with Albert Kahn, a well-known specialist in presenting the Communist viewpoint in the guise of "anti-fascism" (*The Great Conspiracy, High Treason, Sabotage*). Announced publications of the new firm are exactly what one would expect, attacking Senator McCarthy with fine fervor and purporting to expose "the atom spy hoax" and to tell the "truth" about the Rosenbergs. This is a welcome sailing under plain colors. It was different when Cameron could put the imprint of an old and worthy publishing house (which has radically revised its policy since his departure) on the same kind of stuff.

A sensitive correspondent has described to us the shock of finding his favorite hat shop picketed by the United Hatters, Cap and Millinery Workers. He pondered the fact that a retailer was being punished for a dispute that involved only the union and the manufacturer. "Walking down Fifth Avenue," our correspondent writes, "I had the eerie feeling of being followed. After all, I was wearing one of those hats that all the fuss was about; and wasn't it possible that a really eager-beaver picket might have decided to fall into step behind me?"

"Izvestia, the Soviet government newspaper, announced in tomorrow's edition that Beria and his co-defendants had confessed at their trial to the charges against them and that "the highest degree of capital punishment—shooting—was carried out." (*From a United Press dispatch*)

To keep the time-schedule quite clear:

1. Beria was shot tomorrow.
2. He confessed the day after.
3. The trial was held next week.
4. His chief crimes were committed in 1955.

This Soviet time sequence is perfectly logical. If the purpose of punishment is prevention, it is senseless to wait until *after* a man has committed his crime before shooting him.

The Nation's Economy, 1954

The President's State of the Union Message must be weighed against the background of the nation's economic development during 1953: will the goals that were ignored last year be reached this year? Will 1954 see the continuation of a policy that created hopes of new stability, but rapidly developed a widening inflationary trend?

When the Administration of Dwight D. Eisenhower was installed one year ago, its supporters—and indeed its antagonists—anticipated an era of informed economic conservatism. Eisenhower was elected for virtues which he had espoused in his historic homecoming speech at Abilene, Kansas, facing in a pouring rain the steadfast citizens who had come to witness a return to the traditional virtues of frugality and thrift.

In measuring the economic accomplishments of the Eisenhower Administration, we are forced to limit our applause to purely negative actions that were taken early in the year by abolishing controls over wages and prices. But the very next step toward a sound monetary policy was nullified when the Federal Reserve Board first tightened and then quickly loosened its discount rates.

White House insiders whisper that the President is not entirely aware of such intricate matters as the effect of open-market operations and discount rates on short-term money rates, and the effect of these, in turn, on inflation. If that is no mere Washington gossip, grave responsibility lies upon the President's Council of Economic Advisers.

Even in advance of the President's Economic Message and the CEA's annual report, Washington dopesters talked about so-called "anti-recession plans" by the economic advisers. The grave danger of such talk, and of such planned leakage of policy, lies in the hopes, rather than the fears, which are thus aroused.

Apparently with the approval of the White House economists, irresponsible notions about a supposed "anti-slump machinery" have been bandied about. The impression has been created that Washington would only have to throw some sort of mechanical or magical switch and an economic trend could be reversed.

Outside a fiscal dream world, no such "machinery" can be fashioned. If there should develop a lowering of 15 per cent in private spending in the near future, it would take as much as a 50 per cent increase in government spending to make up for it. As it would appear now that the current fiscal year will show a deficit of from \$3,000,000,000 to \$4,000,000,000, such gigantic pump-priming is entirely unrealistic.

It is against this background that the President's

and the the CEA'S economic reports must be read. And it is against this background that congressional reaction must be viewed. The Congress cannot shirk responsibility for shortcomings in the nation's economic policies. Too much pork-barrel legislation remains tolerated; too many eyes are closed to inflationary appropriations; too few congressmen are aware that the nation's voters, who will go to the polls once again next November, cast their ballots in 1952 for thrift.

Will the President and his economic advisers, in 1954, yield to political pressures, as they did in 1953? That, in essence, is the key question at this moment. In farm policy, the Eisenhower Administration has been guilty of abject surrender to outside pressure; butter piled high in government storehouses is only one illustration of this trend.

New pressures are being applied from unusual quarters. At last month's C.I.O. conference in Washington, President Truman's one-time economic adviser, Leon Keyserling, accused some people of considering a "little bit of depression as a good thing," and asked for early action.

It is such pressure that may be making the White House economists trigger-happy; at the slightest sign of an economic change, they seem ready to jump the gun. The result is that at every false alarm, some more inflationary hot air is pumped into the balloon of government expenditures.

And yet neither the economic forecasts nor present conditions justify all this. *Business Week* forecasts that the nation's economy will reach "a sunny plateau." Industry and business are planning to spend at an annual rate of nearly \$28,000,000,000 on plant improvement during the first three months of the year; that is \$780,000,000 above the 1953 rate. And the gross national product and national income in 1953 reached the highest levels on record, while employment reached the highest levels of our peace-time history.

Looking back over 1953, we can recall that anticipated clouds over the nation's economic horizon never did materialize. The end of the Korean war brought no adverse reaction, either on the stock market, in consumer purchases, or in industrial expansion programs. Instead, consumer buying and industrial expansion went forward, confounding the hasty Cassandras.

A mature evaluation of economic possibilities will, of course, make allowances for fluctuations. But a policy that is supposedly based on thrift and prudence will not permit itself to be stampeded into premature or dangerous action.

The Shadow of Yalta

The conference of the three Western powers with the Soviet Union, tentatively set for Berlin early in January, will meet under the shadow of Yalta. And this shadow is dark and long. Poland and China were offered up as sacrifices to the will-o'-the-wisp of permanent agreement with Stalin in 1945. There is a danger, to which American public opinion should be alert, that the German Federal Republic, not yet accepted as a full ally by the three Western powers, could be treated at the impending conference as an expendable pawn and sacrificed to this same unrealistic aim of permanent agreement with the Kremlin.

More than eighteen months have passed since two treaties, providing for the end of an occupation that had long become anomalous, and for the integration of West Germany into western Europe, were initialed. One of these treaties provided for the creation of a six-nation European Defense Community (E.D.C.) with a European Army of forty divisions, of which Germany was to supply twelve.

Linked with the treaty establishing the E.D.C. is a contractual agreement between West Germany and the three occupation powers, the United States, Great Britain, and France. This eliminates the remnants of the occupation system and restores virtual sovereignty to the government in Bonn. The two treaties are tied together, the contractual agreement coming into force only if and when the E.D.C. is ratified.

Any doubt as to German acceptance of this arrangement, which merges German armed forces indissolubly with those of the five other European partners in the E.D.C., was swept away by the overwhelming victory of Chancellor Konrad Adenauer in the election last September. Communist and neo-Nazi opposition were wiped out and the Social Democrats, who had opposed E.D.C. on nationalist grounds, were soundly defeated.

But France has balked and delayed the honoring of its own signature and the implementation of its own plan. The idea of a European Army, as an alternative to a national German army, was put forward by M. René Pleven, French Prime Minister in the winter of 1950-51. The prospect of ratification by the French Chamber of Deputies seems as uncertain now as at any time since the treaties were initialed. The situation is further complicated because Italy has shown a disposition to use ratification of E.D.C. as an instrument for extorting from the West a settlement of the Trieste issue.

The agreement of the Soviet government to hold a Foreign Ministers' conference, grudging as it was and accompanied by the usual outpouring of truculent propaganda, offers the Soviet wrecking crew an excellent opportunity to tear down the still fragile and incomplete foundations of Western

unity. The sacrifice of what is potentially our strongest and most stable ally in western Europe, the government of Chancellor Adenauer, to Soviet intrigues and to the objections of French Communists and neutralists and British Bevanites, would be a combination of crime and blunder of Yalta proportions. A prophylactic for the inevitable dangers of a meeting with Moscow would be the assertion in the clearest and most positive terms of our intention to keep faith with West Germany and to do everything in our power to see it received on equal terms into the European community of nations and allowed to take its proper place in European defense.

That the shadow of Yalta is no unreal fantasy is evident from two discordantly false notes which Winston Churchill struck in his speech in the House of Commons, reporting the results of the Bermuda Conference. It is hard to find a consistent pattern in this veteran British statesman's attitude toward Communism. Sometimes, as in his Fulton, Missouri, speech of 1946, he gives a lead to which the whole free world might well respond. In the last volume of his massive war memoirs, *Triumph and Tragedy*, he makes a powerful case for stopping Communism as far to the east as possible and describes his personal sense of frustration during the disastrous interregnum in Washington, when "one President could not act and the other could not know."

On other occasions, as in his advocacy of a top-level meeting with Malenkov with no preliminary conditions and no agreed agenda, he seems to relapse into the futile and self-defeating formulas of Teheran and Yalta. His most recent speech in the House of Commons was not one of his happier inspirations. With an almost comical misplacement of emphasis he declared that Russia is in need of "assurances against aggression." This obscures the whole point of the cold war—that the Soviet Union must renounce the fruits of aggression that has led to the enslavement of nine formerly independent European nations before there can be any prospect of a genuine East-West settlement.

Sir Winston's references to the Far East were also extremely unfortunate. He mentioned among subjects of discussion at Bermuda "trade with China, the recognition of the Chinese Communist government, the admission of China to the United Nations, and even such awkward personalities as Syngman Rhee and Chiang Kai-shek."

There was no intimation that Mao Tse-tung and Molotov are "awkward personalities." This sentence, unless counterbalanced by a strong statement in the opposite direction in Washington, may convey the impression that an Anglo-American program of appeasing Red China is under way and that the only obstacles are those "awkward" men who will not give up the fight against Communism.

If one considers these painful lapses of Churchill and the jellyfish character of every French Cabinet, it looks as if Washington will have to provide the greater share of guts and backbone at Berlin. The American delegation should enter the conference with a clear simple program calling for German unity on a basis of free all-German elections and the right of the new all-German government to conclude alliances as it may choose. And there should be a quick decision to pack up bags as soon as the Soviet government resorts to such tactics as answering specific proposals regarding Germany and Austria with suggestions that Red China be admitted to the United Nations.

Beria Down, Who to Go?

Lavrenti Beria has followed his predecessors, Henry Yagoda and N. I. Yezhov, to the final walk in the black cellars of a Soviet prison. Endless repetition dulls our sense of the quality of absolute madness that characterizes the Soviet regime. What conceivable logic can in nine months transform the brightest shield of the people into the most vile of traitors and criminals?

And now we are told that his treason dated from 1917—this is, from the first day of the Revolution, and his own nineteenth year. For thirty-six years Beria did nothing but plot, sabotage, and betray. Is anyone expected to believe this? It does not seem likely. To believe this would imply a repudiation of all that the M.V.D. had done for its past fifteen years under Beria—and the M.V.D. is the core of the Soviet regime. To believe it would imply that Lenin and Stalin had been accomplices, and Malenkov also, who only last April named Beria as his first colleague.

What we must recognize is that the terror and the purges and the trials are part of the normal procedures of Bolshevik rule. The elections are a farce, and are not taken seriously by anyone. But the terror is serious, and is known to be serious. We, and the Western world generally, "legitimize" our rulers by the parliamentary processes of nominations, talking campaigns, and elections. When the vote is counted, that settles it, so far as we are concerned. In the Soviet Union, the rulers—or ruler—are legitimized by the terror and the purges, and only so. Whose neck lasts longest? That is what settles it.

This is the measure of the gulf between their world and ours.

Most of the speculation on the detailed significance of the Beria purge is idle. The fashionable idea of the moment, that Beria's downfall marks the ascendancy of the Army, is based not on concrete evidence but on purely deductive and for the most part circular reasoning. We simply do not know the details of what goes on inside the

Praesidium, and anyone who tells us he does is either a deceiver or self-deceived.

The fall and liquidation of Beria are, however, new proof of one essential fact. The post-Stalin Soviet regime is not consolidated. A fierce struggle for power, which cannot be restrained within the walls of bureaucratic rooms, is raging. A dictatorial regime cannot be ruled long by a committee; it can consolidate only around one individual. A terror regime can pick that individual only by blood: heads must fall. There is no reason to believe that the individual is yet decided. If it is to be Malenkov, he has still a long and hazardous course to run.

The Soviet regime is thus forced to direct major energies inward, and is for this period handicapped in the conduct of its always aggressive foreign policy. It is incredible that at this moment the tendency toward appeasement of Moscow spreads from India and Europe to Washington. To give the Soviet Union a breathing space now is simply to help it consolidate a new regime that will be able to finish up the conquest of the world with more speed and certainty. By all the rules of politics, strategy, and common sense, this is the time to press harder, not to relax. Is it really impossible for the West to learn the vanity of appeasing a totalitarian aggressor?

Curious Secrecy

A logical and necessary sequel to the airing of the Harry Dexter White scandal is a thorough investigation, by an appropriate congressional committee, of the Morgenthau Plan for the industrial destruction of Germany. For Harry Dexter White was more than a high source of information for Soviet spy rings, before and after the beginning of World War Two. White was more than an informer, he was an infiltrator. Not only could he tell what policy steps the American government was taking; he could shape and guide those steps.

White's influence as Henry Morgenthau's most trusted lieutenant in the Treasury Department was immense. Immediately after Pearl Harbor Morgenthau put him in charge of "all matters with which the Treasury Department has to deal having a bearing on foreign relations." By 1943 he was in charge of "all economic and financial matters" concerned with Army and Navy relations and also of "civilian affairs in the foreign areas in which our armed forces are operating."

White himself testified on one occasion that he "participated in a major way" in the formulation of the Morgenthau Plan.

If the Morgenthau Plan had been drawn up in the Kremlin it could not have been more cleverly designed to drive Germany to despair and subservience to the Soviet empire. It proposed that in

the most thickly settled industrial areas of Germany, including the Ruhr and the Rhineland, "all industrial plants and equipment not destroyed by military action shall be completely dismantled and transported to allied nations as restitution. All equipment shall be removed from the mines and the mines closed."

Besides this transfer of plant and equipment the Morgenthau Plan proposed as forms of reparation "forced German labor outside of Germany" and "confiscation of all German assets of any character whatsoever outside of Germany." Perhaps the most revealing paragraph in this sinister scheme, which would have been a death sentence for millions of human beings and would have completely wrecked any prospect of orderly European economic recovery, is the following:

The primary responsibility for the policing of Germany and for civil administration in Germany should be assumed by the military forces of Germany's continental neighbors. Specifically, these should include Russian, French, Polish, Czech, Greek, Yugoslav, Norwegian, Dutch, and Belgian soldiers. Under this program United States troops could be withdrawn within a relatively short time.

Although this is not spelled out, the clear purposes of this suggestion (eliminating American and also British troops from the occupation of Germany) seem to be to make Germany vanish behind the Iron Curtain as quickly as possible.

The Morgenthau Plan was no empty paper fantasy. It was officially endorsed by Roosevelt and Churchill at the Second Quebec Conference on September 15, 1944. Morgenthau had rushed to Quebec to push it through. Roosevelt was apparently at a very low ebb, mentally and physically, and later confessed to War Secretary Stimson that he hardly knew what he was doing. Churchill, concerned about more American handouts, explains his role a bit shamefacedly as follows (*Triumph and Tragedy*, p. 156): "At first I violently opposed this idea. But the President, with Mr. Morgenthau—from whom we had much to ask—were so insistent that in the end we agreed to consider it." (Italics added)

While the full indiscriminate vindictiveness of the Morgenthau Plan was fortunately never applied, enough of its spirit got into the Potsdam Agreement and the early practice of American military government to retard by at least three years the inauguration of the constructive policy in Germany which has paid such good political and economic dividends in recent years.

It is high time that the curious secrecy which surrounds the origins and development of the Morgenthau Plan should be eliminated. It is high time that a congressional investigation should lay before the American public all the available facts, including the role of Harry Dexter White and other factors which suggest a Communist background for this fantastic scheme of creating a desert and calling it peace.

Trader Dulles

It is a well established law of contemporary politics that whenever John Foster Dulles makes a clear, firm statement of American policy and interest he will be condemned as a brute in the left and liberal press here and abroad. This is the converse of the equivalent law that whenever he says something vague, globalist, and appeasing, he will be praised from those same quarters.

Thus, when a few months ago Secretary Dulles made a particularly confused, soft, and apologetic speech to the United Nations Assembly, he was showered with the most complimentary adjectives in a thousand editorial cupboards from *Le Monde* to the *Washington Post* to the *Times* of India. Thus also, when a few weeks ago he laid it on the line to the NATO Council in Paris, rhetorical coals were at once heaped on his head.

We are meditating here on methods rather than on objectives. The particular issue in Paris was the proposed European Defense Community with its joint European Army. Mr. Dulles stated: either the Defense Community will be established and the European Army initiated within the next six months or the United States will be forced into an "agonizing reappraisal" of its policy toward Europe. Put more vulgarly, he told the Europeans that the United States expects to get something in return for its money, effort, and sacrifices.

This last is the great heresy from the globalist point of view. Imagine! To expect a *quid* for an American *quo*! To attach a "condition" to American aid! Naturally, no one in polite circles would suggest that America should be First. But think of the effrontery of a Secretary of State who suggests that it at any rate should not be Last!

We are not so sure about the European Army. There may be something to General de Gaulle's epigrammatic comment: "How do you expect Frenchmen to fight for Europe if they are not willing to fight for France?" But European Army or no European Army, we are certain that Secretary Dulles' Paris method of defending our interests is superior to his U. N. method.

Moreover, it is false that this "blunt" (*i.e.*, frank) method is more likely than the soft method to lose us the good will of our allies. Handouts, condescending charity, vague do-good attitudes (always suspected of hypocrisy) make for resentments in the long run. As a business nation we know that shrewd trading, honestly motivated by self-interest, gives results that are beneficial to both parties to a transaction. So long as the European nations feel that we regard them as mere objects of charity (or mere pawns in power politics) they will inevitably resent us. It can only add to their self-respect—and thus to their respect for us—if we make clear that we need and expect something definite from them in return for what we offer.

Tito's Secret Alliance with Moscow

—The Inside Story

By BOGDAN RADITSA

On August 26, 1953, I arrived in Trieste, determined to confirm or refute a sensational series of reports: Was Marshal Tito rejoining the Kremlin? Was Yugoslavia's Communist dictator, in whom the West had invested \$500,000,000, conspiring with Moscow to betray the free world?

I had first heard the rumors in America, and I had now spent two months at the long frontiers of Yugoslavia, gathering facts and documents, meeting old friends, interrogating diplomats and intelligence experts. Trieste was the last stop on a long journey. Here, as I waited for the two men from Yugoslavia who would bring me the keys to the puzzle, I reviewed the events which had led me to this rendezvous.

In 1948 Joseph Stalin and his chief aide, Andrei Zhdanov, had read Tito out of the world Communist movement. In desperation, Tito had turned for help to America and England, but called himself a "true" Communist all the while. When Stalin died, things changed in Moscow. Georgi Malenkov—Zhdanov's old enemy—became Soviet Premier. The popular Marshal Zhukov, whom Stalin had banished to a provincial garrison, became Vice-Minister of Defense. Within a few months Stalin's Georgian comrade, the dread police chief Lavrenti Beria, was purged. Malenkov also quickly rewrote the official history of the Soviet Communist Party so that it contained only slight references to Stalin, who had actually *made* that history for almost thirty years.

As these events unfolded in Moscow, it was only natural for me, as a former colleague of Tito's, to wonder how the Yugoslav dictator would react. I soon found out. On June 14 Soviet Russia and Yugoslavia announced they were resuming diplomatic relations. A few days later, gunboats of the Soviet fleet were traveling down the Danube through Yugoslavia for the first time in five years. Before the summer was over, Kremlin satellites Bulgaria, Hungary, Albania, and Rumania had also decided to resume relations with Tito. Meanwhile, Yugoslav newspapers began to criticize "pro-American influences," and to print sharp attacks on American foreign policy, race relations, labor unions, art, movies, and women.

When factory and mine workers in East Germany and Czechoslovakia, many of them former Communists, revolted against the Kremlin in June, I watched for Tito's reaction. For a while, Belgrade issued noncommittal, ambiguous statements. But careful observers could tell that the Yugoslav Com-

munist were not pleased. Finally, Tito's official biographer and chief propagandist, Vladimir Dedijer, wrote a long article in the Communist organ *Borba*. He said that the German and Czech uprisings had been "incited" by shady Americans, that they increased the danger of war, and were aimed to restore feudal reactionary classes to power. The Dedijer article was a direct playback of the Moscow line.

By the time this startling comment appeared, I was making investigations along the Yugoslav frontier. It did not surprise me when Tito received the new Soviet Ambassador cordially, or when his Central Committee sent good wishes to the Russian Communist Party on its fiftieth anniversary. Nor was I surprised when Tito told a British newsman that Red China belonged in the United Nations, and that Yugoslavia would "never" join the Atlantic Pact but desired "normal and even, to a certain extent, friendly relations with the U.S.S.R." I no longer doubted that Tito was strongly considering a new alliance with Russia. The real question was: How far had he gone?

Authentic Documents Tell of Pact

The documents that answered that question were brought to me from Belgrade by men whom I knew personally; I can vouch for their unimpeachable integrity and sound political judgment. The documents themselves are the detailed reports of two secret anti-Communists who are high in Tito's regime. One of them is a member of the Central Committee of the Yugoslav Communist Party; the other is a prominent official at the Central Headquarters of U.D.B.A., Tito's secret police. Although each report was written independently of the other, the two tally on all essential points. Other sources confirmed many details in both reports. The authenticity of both documents has been verified to me personally by one of the most respected intelligence services in Europe.

This is the story these documents tell: Tito and Malenkov, after many preliminary overtures, definitely agreed during the middle of July to work toward a resumption of the old Moscow-Belgrade partnership. The numerous frictions which led to the original break are to be eliminated by a joint Yugoslav-Soviet commission. The details of Yugoslavia's future political strategy remain to be worked out, but the present plan calls for concealing the new Tito-Malenkov alliance. Under this

scheme Tito will be permitted to make occasional criticisms of Moscow and thus will be able to continue receiving American aid. He can serve Malenkov by disrupting the NATO alliance and by independently playing up to non-Communist radicals in Europe and Asia.

So far as can be determined, the initiative for the new alliance came from Tito, but Moscow was quick to respond. About a month after Stalin's death, a Yugoslav Foreign Office official named Josipovic went to Moscow and attempted to offer Tito's proposals for a rapprochement to top Soviet leaders. Josipovic never got to see the top leaders, but was carefully interviewed by officials of the Soviet Foreign Ministry. Malenkov's response soon followed. Early in May, the Soviet military attaché in Albania came to Belgrade in a Yugoslav train, accompanied by two Russian civilians. He stayed in Belgrade four days in civilian clothes, residing at the headquarters of the Belgrade Municipal Communist Party. After getting in touch with important Yugoslav generals, he went on to Moscow. Later that month, four high officers of the Soviet Communist Party (all specialists in Soviet relations with foreign Communist parties) came to Belgrade and conferred with Tito's Minister of the Interior, Alexander Rankovic.

Negotiations were stalled for several weeks as the workers' revolts in the satellite states shook the Kremlin. But late in June, after Beria had fallen, Tito made a new report to his Politburo on the many feelers that had been put out by him and by the Soviets since Stalin's death. The Politburo urged pressing the negotiations further, and Malenkov was quick to pick up the thread.

On July 4, 1953, Tito was at his summer home in Bled, near Ljubljana, when a special plane arrived at his headquarters from Belgrade. In the plane, bearing urgent news, was Svetozar Vukmanovic-Tempo, a former Partisan general who now bosses Yugoslavia's economy. His arrival prompted hasty conferences in which Tito, Rankovic, Edvard Kardelj, and Milovan Djilas—the top leaders of the government—all took part. Several times in the next three days, Vukmanovic-Tempo flew back and forth between Ljubljana and Belgrade. On July 6, he was in Ljubljana for the last time, dressed in the Partisan uniform which he had not worn for several years, and accompanied by Alexander Knez ("Sava"), a member of a secret branch of the U.D.B.A. who lived in Moscow before the war.

Vukmanovic-Tempo and Knez left by plane for Moscow. They arrived there on July 8 and spent three days conferring with high Soviet officials. They returned to Ljubljana on July 11. The leaders of the Yugoslav Communist Party and Army General Staff met immediately to discuss Vukmanovic-Tempo's report. On July 18, Belgrade announced the lifting of all restrictions on Soviet officials in Yugoslavia; the next day, Moscow lifted the prohibitions on Tito's men in Soviet Russia. It is

quite likely that these announcements signaled the formal assent of both parties to the new secret pact, although perhaps the word was passed informally. In any case, a few days later, a special Yugoslav delegation of twelve left for Moscow, to work out with Soviet officials the many details of the new alliance. One member of the delegation has been positively identified as a general who participated in top-secret deliberations on Balkan defense with the General Staffs of Greece and Turkey.

It is easy to understand why the Kremlin wants Tito back: Yugoslavia, whether an open or concealed ally, represents a priceless strategic asset for the Communist movement. Tito can do even more for Malenkov as a secret ally. Through the Balkan Pact with Greece and Turkey, his men can give the Kremlin the military blueprints of the West. Posing as an "independent Communist" or as an "ultra-radical Socialist," Tito has exerted an influence on radicals throughout the world whom the Kremlin could not reach. Milovan Djilas reported to a secret meeting of Yugoslav youth leaders late in July that Malenkov was "highly appreciative" in particular of the way the Titoists had swung so many Asian Socialists toward "neutrality" and anti-Americanism. In addition to these factors, the Soviets doubtless appreciate the psychological boost the return of Tito would provide for other satellite leaders, shaken by revolts since Stalin's death.

Why Tito Is Rejoining the Kremlin

Tito's motives in the new deal are a little harder to understand. Why has he decided to risk a seemingly profitable alliance with the West, to return to the Kremlin which treated him so shabbily five years ago? The reports of our informants indicate three major reasons for Tito's decision:

1. *Malenkov is not Stalin.* All the Yugoslavs who have written on the Tito-Stalin split have emphasized Stalin's arrogant, overbearing personality; "he treated us like children," is the theme that runs through their discussions of the break. But the same commentators invariably point out that Stalin treated his Russian subordinates in the same way, humiliating Malenkov and Molotov on countless occasions. The strong element of personal rancor in the Moscow-Belgrade break was removed with Stalin's death. (Zhdanov, Tito's other foe, died in 1948.)

Malenkov's policy shifts did the rest. As early as May of this year, members of the Yugoslav Central Committee were informed by the Politburo that Malenkov's policies were considered "new, positive, and constructive." A circular letter laying down that line was issued on June 15 and read in all Communist Party cells and army political committees. Later, Milovan Djilas told high U.D.B.A. officials that Malenkov had praised

the Titoists for resisting Stalin's excesses, and for "never betraying the basic principles of Leninism and remaining consistent Communists." At about the same time, at a meeting of the Communist organization of the Yugoslav General Staff, General Otmar Kreacic hailed Malenkov's reversal of old Stalinist policies in the satellite countries.

One of the major points on which Malenkov has reversed Stalin's policies—the Yugoslavs believe—is the Communist strategy toward the Socialist parties. Where Stalin concentrated on attacking the Socialists, Malenkov believes in converting and confusing them. The Yugoslav Communists regarded Stalin's policy as tactically stupid; after their excommunication, they consciously wooed Socialists everywhere. Now, in his July report to U.D.B.A. officials, Djilas said that Malenkov recognized Tito's superior wisdom on this question:

It is thanks to our policies, not Stalin's, that the Socialist parties of Asia have so strongly resisted the capitalists, especially America, and have been so friendly to the Chinese Communists. . . . We have shown that an independent Communist party like ours can do much more for the cause of world Communism than a satellite party obviously directed by a commission of Russian Communists. Russia now understands this.

2. *Tito believes the West cannot win.* The Yugoslavs regard the stalemate in Korea, the growth of Red China as a military power, the growing disintegration of France and Italy, the ill feeling between Britain and America as signs that the Western world is undergoing a severe crisis. Yugoslav generals believe that France can never win in Indo-China; talks with leaders of the British Labor Party, Clement Attlee and Aneurin Bevan, have convinced Tito that Britain will not follow Eisenhower in an aggressive, anti-Kremlin policy. After the Korean armistice was signed, a Politburo member told a group of high Army officers:

"The war in Korea has proved that American political leaders and generals are in utter disagreement. . . that America did not dare to use Chiang Kai-shek against the Chinese Communists . . . that America was forced to spend fifteen dollars for every dollar China spent. The war has shown that nothing can be done in Asia without the Soviet Union and China, which are the two main powers in Asia and have the respect of the Asian peoples. From the Communist point of view, the war was harmful because it tended to unify the capitalist powers; for that reason, it was necessary to stop it. The Soviet Union showed great wisdom in the termination of the war."

Even disregarding Tito's dedication to Communist ideals, he has little to gain—in the long run—from his alliance with the West. Should the West come to terms with Malenkov, neither side would be too interested in propping up his regime, either politically or economically. Should there be war, Yugoslavia could not long resist the Soviet

Army, and the West would hardly be inclined to restore Tito's dictatorship after "liberation." More likely than either of these eventualities, in Tito's eyes, is a steady growth of Communist power in western Europe, the Middle East, and Asia, which might outflank a Western-oriented Tito and would reduce his bargaining power with both sides.

The Eager Generals

3. *Tito's army prefers Soviet Russia.* For Yugoslav military men, Communist or non-Communist, Russia has always been the traditional ally. Moreover, a large part of Tito's officer corps was trained in Russia, and views Soviet strategy and tactics as models for modern warfare. Admiration for men like Marshal Zhukov has always been high. The Montenegrin generals are an especially strong pro-Russian element. Both Vukmanovic-Tempo and the head of the Yugoslav General Staff, General Peko Dapchevich, are Montenegrins; both visited the United States this year and came back to Yugoslavia most impressed. Last spring Dapchevich told a meeting of the Communist organization of the General Staff that rabid American capitalists, despite their talk of peace, were ready to unloose a genocidal war against Russia and her satellites at the slightest provocation; in such a war, he said, he could never rally the Yugoslav Army against Russia. Dapchevich went on to criticize American military leaders, contemptuously comparing them to Nazi generals and adding: "The only difference is that Hitler's generals knew how to fight." He pointed to the aid Russia was now giving the satellite armies, and urged a new Yugoslav-Russian alliance.

Dapchevich was not the only military leader offering such counsel. Once Malenkov had made it clear that he was allying himself with Soviet generals like Zhukov, the pro-Russian sentiments of Yugoslav military men were given full rein. Even after Josipovic's mission to Moscow in April seemed to have failed, the generals continued to press Tito for an accord with the Kremlin. When, a little later, the Politburo formally polled the generals on over-all Yugoslav policy, 65 per cent condemned Tito's collaboration with the West, and urged a return to Moscow's fold.

As a matter of fact, the eagerness of the generals was felt to be a handicap by the Yugoslav Communists in the early stages of negotiations with Moscow. Some party leaders even suggested throwing the army off the scent. If Malenkov knew how eager the army was, the party leaders reasoned, he would demand all sorts of internal concessions from Tito's regime and this might eventually lead to outright Soviet control of Yugoslavia. And if Tito refused these concessions and somehow word of the negotiations got out to the West, he and his party leaders might find themselves completely isolated.

No such deception of the Yugoslav generals was necessary. With Beria's defeat both Malenkov and Tito were ready for the final agreement, consummated by Vukmanovic-Tempo in Moscow.

These were the three main reasons for Tito's return to the Kremlin camp. But the signs of the new Moscow-Belgrade alliance were evident in scores of lesser actions reported by our informants. Among these developments are:

Item: Scores of former members of the Yugoslav Communist Party, who sided with Stalin against Tito in 1948, have been released from prison and restored to good jobs.

Item: Former pro-Stalin Yugoslav leaders, who fled for their lives to the Cominform countries in 1948, have now returned to Yugoslavia.

Item: The anti-Tito school which the Kremlin ran in Budapest for five years was disbanded at the end of June.

Item: The flow of anti-Tito propaganda which had been pouring into Yugoslavia from Rumania, Bulgaria, and Hungary has ceased.

Item: The Yugoslav Communist Party has decided to purge some 50,000 members, whom it described in a circular letter at the end of the summer as "vacillating elements who have succumbed to the influences of the West and nourish illusions toward the capitalist countries."

Item: Tito stubbornly refuses to enter NATO and to permit the United States to establish bases in Yugoslavia.

By the time Andrei Vishinsky dined with members of the Yugoslav U.N. delegation in October, the Yugoslav people were convinced that Tito had achieved his goal of rapprochement with Moscow. They felt this despite elaborate precautions taken by Tito's security apparatus to conceal the new link. The change in the atmosphere of Yugoslavia was apparent to all the discerning Yugoslavs to whom I spoke in the course of my two months' investigation. Every one of the Yugoslavs who crossed the Austrian, Greek, or Italian borders to speak with me had the same comment, for example, on Tito's agitation on Trieste: "It is Moscow's work." Even the small group who doubted that Tito has already signed a pact with Moscow have no doubt that he has *tried* to do so, and say it is only a matter of time before a final agreement is reached.

Many in the West were skeptical in April 1939, when Soviet General Walter G. Krivitsky described the long history of negotiations between Stalin and Hitler, who had seemed mortal foes for many years. This skepticism was dashed on August 23, 1939, when Molotov and Ribbentrop publicly signed the Nazi-Soviet Pact. And, in the present case, Tito and Malenkov are *both* Communists.

Disorder at the White House

By C. DICKERMAN WILLIAMS

Lack of legal control over the Office of the President has created a "palace" clique whose influence menaces constitutional government.

Those who have served in the executive branch of the government in recent years are only too familiar with a phenomenon which may be the explanation of the Harry Dexter White case. That phenomenon is the enormous growth in the personnel and influence of the Office of the President. The government has become so complex and the demands upon the President so numerous and so varied that he has built up a large personal organization which, because of its constant and ready access to him, has acquired great power. Apparently through their advice the President has been led to adopt positions or courses of action without notice to or approval by the departments lawfully concerned. Undoubtedly this development is to some extent unavoidable, but its inherent evils have been sharply accentuated by the almost complete lack of legal control over the Office. In other words, this swarm of officials operates largely on the loose, without regulation or responsibility, in a way

that completely negates the doctrine of a "government of laws and not of men."

It would be comforting to conservatives to be able to think that this state of affairs had disappeared with the advent of the Republicans, but the available evidence is that with minor exceptions the situation persists and may indeed have grown worse, due to President Eisenhower's unfamiliarity with domestic politics. To illustrate the problem, let us recall some of the features of the White case.

According to former President Truman the commission to White was issued in order to avoid endangering investigation of the Silvermaster spy ring. But who told Mr. Truman that such a course of action was necessary or desirable? It is hardly conceivable that he reached such a conclusion unless so advised by one or more of his associates. Yet the evidence so far available does not identify any adviser who took this view. J. Edgar Hoover,

who was in charge of the investigation, has expressly denied giving such advice. Secretary Byrnes says that after his interview with the President he was left with the impression that the President would forestall the appointment. Attorney-General Clark, we learn from both Messrs. Hoover and Caudle, wanted to prevent White's assumption of office. Secretary Vinson, too, Mr. Hoover says, was against the appointment, although he feared that the Senate's confirmation had given White a legal right to the commission, a very different consideration from the possibility of danger to the success of the investigation. (Incidentally, there are two formal and most persuasive opinions by Attorney General Stanbery that the President may reconsider an executive appointment after Senate confirmation. And there are no court decisions to the contrary. Secretary Vinson's fear would not have survived legal research.)

Now it is also clear that Mr. Truman lacks a keen recollection of the incident. His first comment was that he had never read an FBI report on White; his second, that White had been dismissed as soon as it became known that he was disloyal. His telecast explanation was obviously a reconstruction made after a study of the records. With the best will in the world it is extremely difficult to be accurate under such circumstances. The difficulty would be acute for anyone who at the time had been living the crowded life of the President of the United States and would be doubly so if the reconstruction were attempted under the pressure that existed in this case.

The theory that President Truman would wilfully disregard such a report is also untenable. Whatever Mr. Truman's shortcomings, the Communist infiltration of the government took place under the Roosevelt Administration, not the Truman Administration. Undoubtedly during the Truman Administration a number of agencies were not sufficiently prompt and vigorous in removing Communists, but so far as this writer is aware all government employees who had been identified as spies were dismissed sooner or later and before the end of the Administration.

In short, the departments with responsibility were unanimously in favor of one course of action, and yet another, and extraordinary, course of action was adopted.

The following explanation seems possible: that some employee of the Office of the President, secretly a Communist sympathizer and not yet identified, may have secured the President's signature by unscrupulous advice or by stealth.

Communist penetration of the Office of the President during the Roosevelt Administration, not rooted out by 1946, is a possibility that cannot be lightly dismissed. The Communists sought to penetrate every organization of importance: would they have ignored the Office of the President? The name of Lauchlin Currie, administrative as-

sistant to the President from 1939 until he was dismissed on June 30, 1945, has appeared repeatedly in testimony concerning the Silvermaster espionage ring. White testified that Currie was his good friend. They had taken graduate economics at Harvard at the same time; both had entered the Treasury Department as economists in the year 1934 and had had brilliant careers in government thereafter. May not Currie during his six years at the White House have sponsored the employment there of Communists or fellow-travelers in positions that would be minor apart from their close association with matters of transcendent importance? Also, Mrs. Roosevelt and Harry Hopkins were at times friendly with Communists. May not the same question apply to them? And if Communists got in, when were they put out? If they were still there they may have had an opportunity to effectuate the White appointment.

If one of President Truman's immediate entourage advised him on the White affair in the press of White House activity, it might well have slipped his mind. President Truman did not at first even recollect his meeting with Secretary Byrnes.

Further, it has been reported that the President must sign six hundred documents a day. He can hardly read each one carefully. Conceivably some employee, without the President's knowledge, may have designedly or carelessly put the White commission in the pile of documents for his signature. Also, it was rumored in Washington during the Truman Administration that the President had authorized a clerk to sign his name to relatively unimportant personal correspondence in a script resembling the President's own. The possibilities of abuse of this practice, if it existed, are obvious and warrant conjecture that the signature to the White commission was forged.

Why Regulation Is Required

How valid these speculations are in relation to the White case is unknown, but whether they are valid or not, they should serve to direct attention to the dangers flowing from the growth, power, and unregulated character of the Office of the President.

At the inauguration of President Hoover in 1929, the President had a staff of forty-two; in the last days of the Roosevelt Administration the "Office of the President" had a personnel of 597; at the end of 1952 the number had increased to 1,181.

The Constitution requires the "Advice and Consent of the Senate" to the appointment of all "Officers of the United States," except that Congress may in its discretion dispense with this requirement in the case of "inferior Officers." The influence derived from access to the President of the United States makes the members of the White House staff anything but "inferior Officers." It is indeed anomalous that Senate confirmation is

not required for such a powerful office as Director of the Budget, who reviews the proposals of members of the Cabinet, but is necessary for the appointment of a second lieutenant in the regular army, the postmaster of a village, or a sanitary engineer in the Health Service. It is similarly anomalous that Senate confirmation should be required for the assistant secretaries of the executive departments and not for the assistants to the President. How are the latter "inferior" to assistants to members of the Cabinet? Congress should require Senate confirmation of all the principal employees of the Office of the President and limit their tenure, albeit with eligibility for reappointment.

Again, Congress has strictly specified the compensation, or the standards of compensation, of all government officers and employees from the highest to the lowest—all, that is, with one exception: the employees of the White House. For them Congress customarily appropriates large lump sums to be paid "at such per diem rates for individuals as the President may specify, and [for] other personal services *without regard to the provisions of law* regulating the employment and compensation of persons in the government service." Although it cannot be said that any President has abused this power, this provision, by effecting a delegation of the legislative power of appropriation without limiting standards, seems unconstitutional. Certainly it is an abdication of the "power of the purse," long considered the most vital safeguard against arbitrary government.

Perhaps the most important area in which the Office of the President requires regulation—and this bears directly on the White case—is the specification of duties. The jurisdiction, duties, and powers of the departments, bureaus, and other agencies are in general carefully defined by Act of Congress. But the Office of the President has never been so defined, although some of its units have been, such as the Bureau of the Budget. Indeed, strictly speaking, although the Office, often called the Executive Office, is constantly referred to in legal documents, Congress has never created it as a permanent organization like other government agencies. It exists as a legal entity only by virtue of annual appropriations and a fiat of President Roosevelt.

Moreover, there is no public document specifying in any detail the duties of the various members of the White House staff. Anyone who has business to do with, say, the Under Secretary of Commerce for Transportation can go to the Federal Register and read a formal departmental order defining that officer's responsibilities at length. President Roosevelt's order creating the Office of the President merely provides that the staff shall "assist" him and maintain liaison with government agencies, the press, and the public.

The consequence has been repeated excesses of

jurisdiction of which the White case is apparently an example. The most notorious during the Truman Administration was Presidential assistant Steelman's usurpations in the field of labor, through which the Department of Labor was eliminated from formulation of labor policy; the most continually irksome to the departments generally was the meddling of the Bureau of the Budget (cf. *Forrestal Diaries*, pp. 237, 429 *et seq.*) There were many others, and in addition, much internal friction and intrigue.

It may be asked, why should the President not consult anyone he wants? There is, of course, no reason why the President should not consult any member of the general public whose opinion he respects. The need for control over his advisers relates to government officials. History has repeatedly demonstrated that when a chief of state is surrounded by irresponsible officials working behind the scenes and without known responsibilities, the effect is sinister. Again and again the influence of the "palace," or the "court," on the chief of state brought about catastrophe in the histories of Great Britain, France, Russia, Rome, the Ottoman Empire, and other countries. Inordinately ambitious men and women, whose personal fortunes were entirely dependent on the chief of state, urged that he should assert himself by extreme or imprudent actions despite the contrary views of responsible ministers or legislative or popular leaders. The result was rash policy leading to disaster.

In Great Britain it was determined at the cost of two revolutions that the chief of state must accept the advice of the legislature. Recognizing the difference between an hereditary monarch and an elective President, the framers of the Constitution adopted a much less stringent control over our chief of state. For almost a hundred and fifty years the President got along without a large personal establishment, and acted on the advice of officers confirmed by the Senate, with duties and compensation prescribed by law, and of such private citizens as enjoyed his confidence.

In late years, however, the President has come to rely very considerably on personal henchmen. The available evidence is that they have urged upon him the aggrandizement of his personal power by extreme policies to which many of our present troubles may be traced.

If constitutional government is to be preserved, Congress must assert the control over the Office of the President which the Constitution contemplates. The Commission on Organization of the Executive Branch, created by Congress last July, should put this subject high on its agenda.

Reform should proceed on the basis of friendliness with, and not hostility to President Eisenhower, who, like his predecessor, inherited and did not create this unfortunate apparatus—a fact, however, that does not make it less menacing.

The Future of the G. O. P.: A Poll

In view of the much-discussed possibility of a split in the Republican Party, the FREEMAN sent the following telegram to the political editors of leading newspapers in all the states:

Do your conversations with state Republican leaders indicate any defection of Republicans [to Southern papers we added "and Eisenhower Democrats"] from President Eisenhower as a result of his differences with Senator McCarthy?

The editors were also asked to mention other issues that in their opinion endangered Republican chances in the 1954 and 1956 elections.

Their replies provide an over-all picture of the political climate of the nation which we have found significant beyond the immediate issue. In general, other subjects seem to be as pressing, and even more important than the Wisconsin Senator, notably farm prices, failure to remove Truman holdovers, failure to lower taxes and balance the budget. The South expresses somewhat less concern over the Eisenhower-McCarthy differences than over Attorney General Brownell's entry into the school nonsegregation case before the Supreme Court.

Because of space limitations we are unable to print all the replies. In selecting representative excerpts we have endeavored to cover fully the opinions expressed.

Albuquerque, (N. Mex.) Journal, Wayne S. Scott: Eisenhower-McCarthy almost unnoticed in New Mexico. Some dissatisfaction with Eisenhower in handling of emergency drought program. . . (But) farmers and ranchers still oppose 3 to 1 price supports for livestock.

Birmingham (Ala.) Age-Herald, John Temple Graves (column syndicated to 35 other Southern dailies):

Dissatisfaction with Eisenhower among conservatives here results more from Brownell's interference in segregation cases than McCarthy quarrel although latter a factor as reflecting Eisenhower line-up with much disliked Dewey . . . If Alabama conservatives have to choose between Dewey and Stevenson they will choose Stevenson.

Boise (Idaho) Statesman, John Corlett: See no additional defection among Idaho Republicans result of McCarthy-Eisenhower feud. Great majority of Idaho G.O.P. leaders were for Bob Taft before 1952 convention. They will stand by Eisenhower although they do not agree entirely with his policies.

Boston (Mass.) Post, Charles D. Roche: Although state Catholic vote strongly sympathetic

to McCarthy, G.O.P. top brass is sticking to Ike at present.

Buffalo (N.Y.) Evening News, Jack Meddoff: Internal Republican unhappiness stems from dissatisfaction with Eisenhower Administration tardiness in distributing patronage. Also considerable G.O.P. uneasiness over Dewey's in-again-out-again attitude regarding fourth term candidacy for governor.

Burlington (Vt.) Free Press, David W. Howe: As party leader Eisenhower should have answered Truman on Harry Dexter White mess. McCarthy recognized as opportunist but not as an issue. If Ike interested in re-election believe he will exercise more authority soon and delegate less.

Charleston (S.C.) News and Courier, Frank B. Gilbreth:

President's dispute with McCarthy has little practical effect on rank and file of voters. Many independents who voted for Eisenhower are disappointed that Brownell entered school separation cases. They thought Eisenhower stood for states' rights.

Cheyenne (Wyo.) State Tribune, Keith Osborn: Most Wyoming Republicans believe McCarthy is doing a necessary job in uncovering Communist influence in government. Unless an all-out battle develops over the foreign policy aspect of the matter, Wyoming Republicans do not feel there is a question of being forced to choose between Eisenhower and McCarthy. No indications of any defections so far. Most Wyoming farmers and ranchers are Republicans and are presently supporting Secretary Benson. But unless the situation improves in 1954, it could weaken the G.O.P.

Chicago (Ill.) Daily News, John M. Johnston: Most Republicans are somewhat schizophrenic on the subject of McCarthy, loving him much less for himself than for the damage he does to the other side. The organization Republicans always took Ike mainly because of his box-office appeal rather than his Republicanism if any. Dearth of good G.O.P. candidates for U.S. Senate is a more serious matter. . . .

Dallas (Tex.) News, Allen Duckworth: President Eisenhower may have slipped a bit in Texas, but probably would carry state if election held tomorrow. McCarthy matter has had no effect. Republican farm policy is big ammunition for attack on Administration.

Denver (Colo.) News, Morton L. Margolin: No split apparent now or in making in Colorado among Republicans as a result Eisenhower feud

with McCarthy. Many ardently express appreciation for McCarthy's bringing Communism into open. . . Split if any will be along old Taft-Ike lines. . . .

Des Moines (Iowa) Register, George Mills:
Can't see the McCarthy issue making much difference votewise, at this time anyway. One leader says: "I'm enjoying the scrap because it gives us something else to talk about besides farm prices."

Hartford (Conn.) Courant, Jack Zaiman:
I'd be amazed to find anyone leaving Eisenhower if a real split developed with McCarthy.

Indianapolis (Ind.) Times, Irving Leibowitz:
Long before President Eisenhower aimed his fire at Senator McCarthy, the Taft Republicans were feuding with the Ike supporters. The Taft wing regards Senator McCarthy as one of their very own. They respect him and call on him at campaign time. . . . All G.O.P. leaders agree the Ike-McCarthy controversy has hurt the party. The Indiana G.O.P. controls ten of eleven congressional seats. Republican leaders fear they'll lose five. . . .

Indianapolis (Ind.) Star and News, Eugene Pulliam:
No dissension in Indiana on account of McCarthy. Leaders here recognize Eisenhower is stronger than party and that candidates for congressional seats must campaign on support of Eisenhower. Of even more importance is how Administration handles farm problem. As of now Indiana Farm Bureau supporting Benson's program.

Jackson (Miss.) Clarion-Ledger, Charles M. Mills:
Most of the conservatives who went to Eisenhower in 1952 did so as a move against Truman. Now these selfsame conservatives are taken aback by the Eisenhower-Brownell stand on segregation. There are still, of course, some Eisenhower followers who say Ike inherited a mess and is making the best of it. But even they are melting in the face of the segregation issue.

Louisville (Ky.) Courier-Journal, Thornton Connell:
If there is any Republican defection it is expected to come largely from the farm element because of the drop in farm prices under Republican Administration.

Madison (Wisc.) State Journal, Sanford Goltz:
Wisconsin G.O.P. leaders, largely Taft supporters in 1952—and strong for McCarthy then and now—snort at the out-size proportions to which the Ike-Joe scrap has been blown by Washington newsmen and commentators. . . . But they are disturbed at grass-roots comment that foreign policy looks the same under Ike and Dulles as

under Truman-Acheson; that the budget will still be out of balance next year, and that Eisenhower's advisers are trying to soft-pedal the issue of Reds in government.

Manchester (N.H.) Union Leader, Frank O'Neil:
Many Republican leaders, including Governor Gregg, feel strongly that Eisenhower not giving enough support to McCarthy. . . . Don't believe existing split in ranks will have effect on election next year.

Miami (Fla.) Herald, John B. McDermott:
If election held today, political observers believe Florida again vote Eisenhower. However, were any other Republican to run, state probably go Democrat. McCarthy is viewed by Florida "Eisencrats" as necessary evil. They accept facts he exposed Communists in government and thereby did party great service. They regret and deplore his publicity-seeking methods.

Milwaukee (Wisc.) Sentinel, Cyrus F. Rick:
Feud is mostly blown up by Wechslers, Restons, and other anti-McCarthyites, anti-Eisenhowerites, and anti-Republicans who want to see Ike-Joe at each other's throats.

Minneapolis (Minn.) Star, Wallace Mitchell:
Republican state central committee voted, 50 to 18, approval of Eisenhower-Dulles foreign policy. Objections came from Taft-minded committee members. . . . Eisenhower Republicans are firmly in control of party here. . . . It would take a startling change in public opinion to threaten any of the five Republican congressmen up for re-election in 1954.

Oklahoma City (Okla.) Daily Oklahoman, Otis Sullivant:
Ardent adherents of McCarthy were for Taft in 1952, went along with Eisenhower for President in preference to a Democrat, and still will. Eisenhower has lost some ground because of drought, economic conditions, and blow to cattlemen and farmers. However, more of the fire is turned on Benson than Eisenhower.

Portland (Ore.) Oregonian, Mervin Shoemaker:
There is some evidence that McCarthy has recently been alienating erstwhile followers with such tactics as his call for telegrams. They now more clearly see McCarthy and Eisenhower differences.

Providence (R.I.) Journal and Bulletin, David M. Cameron:
McCarthy's Rhode Island friends appear to be willing to stick with Eisenhower for now, although they feel that the President could be more aggressive in routing whom they consider subversives out of federal government.

Raleigh (N.C.) Associated Afternoon Dailies of North Carolina, Lynn Nisbet:

North Carolinians who voted for Eisenhower are disappointed at slowness of desired clean-up in national government. There is considerable resentment here against Benson farm program and the Brownell segregation stand. These incidents are more influential on North Carolina sentiment than McCarthyism or Communism.

Richmond (Va.) News Leader, Jack Kilpatrick: Eisenhower is losing ground in the South—but not because of McCarthy. We are all het up down here about the school segregation cases, in which Brownell has intervened. . . . The President also is losing some support by reason of his continued unbalanced budgets. . . . Eisenhower hasn't exactly out-Trumaned Truman in foreign policy; it's rather that he hasn't done much of anything to get away from Truman policies. . . .

Seattle (Wash.) Times, Ed Guthman: State Republican Chairman George Kinnear snatched Washington from the Taft column and put it behind Ike. Some bitterness still remains. In Spokane, Taft's strongest area, the Republican county chairman has been forced to resign. The two factions are engaged in a hard fight for control. There are no McCarthy overtones yet. Kin-

near and other G.O.P. leaders are worried that unless the McCarthy dispute is brought under control serious damage will be done.

Sioux Falls (S.D.) Daily Argus-Leader, Anson Yeager:

. . . South Dakotans are more concerned about the price support program for agriculture than they are about McCarthy.

Topeka (Kans.) Daily Capitol, Clif Stratton: Dulles-Eisenhower vs. McCarthy foreign policy feud looks like final blow to Republican chances. Party leaders in bitter split. . . . Falling farm prices also are a worry. . . .

Tucson (Ariz.) Arizona Daily Star, William R. Matthews:

. . . Eisenhower has lost strength, not on account of McCarthy, but because of his own disinclination to lead, his on-again-off-again opinions, and obvious conflict where the White House Secretariat says one thing and various Cabinet members make conflicting statements. . . . Much of McCarthy's support comes from growing distrust of the eastern leadership of both parties and the inclination of American people to follow a leader, even when they disapprove of many things that he does.

Free Economy and Social Order

By **WILHELM ROEPKE**

A refutation of the popularly held theory that the market economy as a mere technical device can thrive in a society which is in all other respects socialist

Most of us, and all of us most of the time, deal with the market economy as a definite type of economic order, a sort of "economic technique" as opposed to the socialist "technique." For this view, it is significant that we call its constructional principle the "price mechanism." Here we move in the world of prices, of markets, of supply and demand, of competition, of wage rates, of interest rates, of exchange rates, and what not.

That is, of course, right and proper—as far as it goes. But there is a great danger of overlooking an important fact: the market economy as an economic order must be correlated to a certain structure of society, and to a definite mental climate which is appropriate to it.

The success of the market economy wherever it has been restored in our time—most conspicuously in western Germany—has resulted, even in some socialist circles, in a tendency to appropriate the

market economy as a technical device capable of being built into a society which, in all other respects, is socialist. The market economy then appears as part of a comprehensive social and political system which, in its conception, is a highly centralized colossal machinery. In that sense, there has always been a sector of market economy also in the Soviet system, but we all realize that this sector is a mere gadget, a technical device, not a living thing. Why? Because the market economy as a field of liberty, spontaneity, and free coordination cannot thrive in a social system which is the very opposite.

That leads to my first main proposition: the market economy rests on two essential pillars, not on one alone. It assumes not only the freedom of prices and competition (whose virtues the new socialist adepts of the market economy now reluctantly acknowledge), but rests equally on the institution

of private *property*. This property must be genuine. It must comprise all the rights of free disposal without which—as formerly in Nationalist Socialist Germany and today in Norway—it becomes an empty legal shell. To these rights must be added the right to bequeath property.

Property in a free society has a double function. It means not only that the individual sphere of decision and responsibility is, as we have learned as lawyers, demarcated against other individuals, but it also means that property protects the individual sphere against the government and its ever-present tendency toward omnipotence. It is both a horizontal and a vertical boundary. And it is in this double function that property must be understood as the indispensable condition of liberty.

It is curious and saddening to see how blind the average type of Socialist is vis-à-vis the economic, moral, and sociological functions of property, and even more that particular social philosophy in which property must be rooted. In this tendency to ignore the meaning of property, socialism has made enormous progress in our time. Traces of this may be discovered even in modern discussion on the problems of enterprise and management, which sometimes give the impression that the property owner is the “forgotten man” of our age.

The Role of Private Property

The intellectual constructions of “market socialism” are a good example of how the most serious fallacies ensue if we overlook the functions of private property. These fallacies can already be demonstrated on the level of ordinary economic analysis. But I wish to suggest that it is the whole social climate, the form of life, and the habits of planning for life, which matter.

There is a definite “leftist” ideology, inspired by excessive social rationalism, as opposed to a “rightist,” conservative one, respecting certain things we cannot touch, weigh, or measure but which are of sovereign importance. The real role of property cannot be understood unless we see it as one of the most important examples of something of much wider significance. It illustrates the fact that the market economy is a form of economic order that is correlated to a concept of life and a socio-moral pattern which, for want of an appropriate English or French term, we may call “*buengerliche*” in the wide sense of this German word, which is largely free of the disparaging associations of the adjective “bourgeois.”

This *buengerliche* foundation of the market economy must be frankly acknowledged. All the more so because a century of Marxist propaganda and intellectualist romanticism has been astonishingly and alarmingly successful in spreading a parody of this concept. In fact, the market economy can thrive only as part of and surrounded by a *buengerliche* social order. Its place is in a society

where certain elementary things are respected and are coloring the whole life of the community: individual responsibility; respect of certain indisputable norms; the individual's honest and serious struggle to get ahead and develop his faculties; independence anchored in property; responsible planning of one's own life and that of one's family; thriftiness; enterprise; assuming well-calculated risks; the sense of workmanship; the right relation to nature and the community; the sense of continuity and tradition; the courage to brave the uncertainties of life on one's own account; the sense of the natural order of things.

Those who find all this contemptible and reeking of narrow-mindedness and “reaction” must be seriously asked to reveal their own scale of values and to tell us what kind of values they want to defend against Communism without borrowing ideas from it.

That is only another way of saying that the market economy supposes a society which is the opposite of a “proletarianized” one, the opposite of a mass society—with its lack of a solid and necessarily hierarchical structure, and its corresponding sense of being uprooted. Independence, property, individual reserves, natural anchors of life, saving, thrift, responsibility, reasonable planning of life, all these are alien to such a society. They are destroyed by it, at least to that extent that they cease to give the tone to society. But we must realize that these are precisely the conditions of a durable free society.

The moment has come to see clearly that this is the real watershed of social philosophies. Here the ultimate parting of ways takes place, and there is no getting around the fact that the concepts and patterns of life which clash against each other in this field are decisive for the fate of society, and that they are irreconcilable.

Once we admit this, we must be prepared to see its significance in every field and to draw the corresponding conclusions. It is indeed remarkable to see how far we all are already drawn into the habits of thinking of an essentially *unbuengerliche* world. That is a fact which the economists also ought to take to heart, for they are among the worst sinners.

Enchanted by the elegance of a certain type of analysis, how often we discuss the problems of aggregate savings and investments, the hydraulics of income flows, the attractions of vast schemes of economic stabilization and of social security, the beauties of advertising or installment credits, the advantages of “functional” public finance, the progress of giant enterprise and what not, without realizing that, in doing so, we take for granted a society which is already largely deprived of those *buengerliche* conditions and habits which I described. It is shocking to think how far our minds are already moving in terms of a proletarianized, mechanized, centralized mass society. It has become almost impossible for us to reason other than in

terms of income and expenditure, of input and output, having forgotten to think in terms of property. That is, by the way, the deepest reason for my own fundamental and unsurmountable distrust in Keynesian and post-Keynesian economics.

It is, indeed, highly significant that Keynes attained fame mostly for his trite and cynical remark that "in the long run, we are all dead." And it is even more significant that so many contemporary economists have found this dictum particularly spiritual and progressive. But let us remember that it only echoes the slogan of the Ancien Régime in the eighteenth century: *Après nous le déluge*. And let us ask why this is so significant. Because it reveals the decidedly *unbuergerliche*, the Bohemian spirit of this modern trend in economics and in economic policy. It betrays the new hardboiled happy-go-luckiness, the tendency to live from hand to mouth, and to make the style of the Bohemian the new watchword for a more enlightened generation. To incur debts becomes a positive virtue; to save, a capital sin. To live beyond one's means, as individuals and as nations, is the logical consequence. But what else is this than *Entbuergerlichung*, deracination, proletarianization, nomadization? And is not this the very opposite of our concept of civilization which is derived from *civis*, the *Buerger*?

Muddling through from day to day and from one expedient to another, to boast that "money does not matter"—that is, indeed, the opposite of an honest, disciplined, and orderly concept and plan of life. The income of people living on these lines may have become *buergerlich*, but their style of life is still proletarian.

A Growing Concept

It is clearly impossible in the space of a short article to study the impact of all this in all the important fields. I have discussed it in regard to private property. It is further very disquieting to see how this concept has permeated more and more the economic and social policies of our time. One major example is the *Mitbestimmungsrecht* (co-determination—the right of workers and trade-union representatives to participate in the administration of industrial enterprises and thus to take over some functions of proper ownership) in West Germany. To give an illustration: the director of a large power plant in Germany tells me how silly he felt the other day when, in wage negotiations with trade-union officials, he had to deal with the same men who, at the same time, sit beside him at meetings of trustees of the power plants themselves. He adds that the structure of enterprises in West Germany approaches more and more that which Tito seems to have in mind. And that is happening in the very country which is considered today the model of a successful restoration of the free market economy!

Another example of this gradual dissolution of the meaning of property, and of the corresponding norms, which can be observed in many countries, is the softening of the responsibility of the debtor. By lax legal procedure with regard to execution and bankruptcy, this, more often than not, amounts—in the name of social justice—to the expropriation of the creditor. It is hardly necessary to recall, in this connection, the expropriation of the hapless class of house owners by rent control, and the effects of progressive taxation.

Let us apply our reflections to another most important field: *money*. Let us recognize that respect for money as something intangible is, like property, an essential part of the social order and of the mentality which are the prerequisites of the market economy.

To illustrate my case, I want to tell two stories which I take from the financial history of France. At the end of 1870, Gambetta, the leader of the French Resistance after the defeat of the Second Empire, left the besieged capital in a balloon for Tours to create the new republican army. In his desperate need for money, he remembered that his admired predecessors of the Revolution had financed their wars by printing and assignats. He asked the representative of the Banque de France to print for him a few hundred million notes. But he met with a flat and indignant refusal. At that time, such a demand was considered so monstrous that Gambetta did not insist. The Jacobin firebrand and all-powerful dictator yielded to the determined No of the representative of the Central Bank who would not accept even a supreme national emergency as an excuse for the crime of inflation.

A few months later, the socialist revolt known as the Commune occurred in Paris. The gold reserves and the plates of the notes of the Banque de France were at the mercy of the revolutionaries. But, badly in need of money and politically unscrupulous as they were, they strongly resisted the temptation to lay their hands on them. In the very midst of the flames of civil war, the Central Bank and its money were sacrosanct to them.

The significance of these two stories will not escape anyone. It would, indeed, be harsh to ask what has become of this respect for money in our time, not least of all in France. To restore this respect and the corresponding discipline in money and credit policy is one of the most important conditions for the durable success of all our efforts to restore and maintain a free economy and, therefore, a free society.

We just wonder if the Communists, should they succeed in overthrowing our government and establishing their own system, will abolish the U.S. Constitution in its entirety, or retain the Fifth Amendment as a precious memento.

ARGUS

My Friend E. W.

By MAX EASTMAN

A personal memoir of the "kindly-outrageous" magnate who founded the Scripps-Howard papers and the United Press

He was tall, lanky, blotchy, copper-headed, had a cast in one eye, and looked like a pirate when he got mad. He made powerful enemies in Cleveland with his penny *Press*, which opened an era in American journalism by publishing the truth recklessly, cheaply, briefly, and from the workingman's viewpoint.

One day during a law suit, in an antechamber of a Cleveland courtroom, a mob incited by his rich enemies backed him into a corner. Somebody screamed: "He's goin' to shoot!" (which was true), and he found himself alone. Looking in a mirror afterward, he wondered whether it was the gun or his ferocious appearance that saved his life. I think it was his appearance. He pulled that gun a good many times, but never had to shoot. He was a mental and moral athlete, but physically soft, with slim weak hands like a woman's—a frightening combination, especially when a gun is in the hands.

E. W. Scripps was nearing sixty when I met him—a multimillionaire and the owner of a chain of thirty newspapers with a circulation running into millions. I was editing the *Masses*, a socialist magazine selling 12,000 copies and losing \$12,000 a year. Lincoln Steffens told me: "Old man Scripps might give you some money for your magazine—he likes it." It seemed highly improbable to me, but I was curious to look into his eyes.

In middle age he had bought a 2,000-acre ranch upland from the sea near San Diego, California, built a sixty-room ranch house, and retired there to think his thoughts, boss his family, and let his newspaper empire—except for an occasional preemptory order over the long distance telephone—expand and blossom of its own sweet will. I was at the end of a lecture tour, and trekked out from San Diego in an old Ford car to call on him. I spent a week, as it turned out—and other weeks thereafter.

They were weeks devoted almost entirely to abstract thoughts. We never took a walk; we never took a drink; we never went driving. We sat in his study smoking an endless chain of mild, made-to-order Key West cigars and talking from three to ten hours at a stretch.

I can still see the kindly-outrageous old tyrant sitting there slanting back from his desk, squinting

quizzically through the smoke, laying down the law as though he knew everything on all subjects, and yet as strongly intimating—whether with the intellectual mirth in his eyes, the deprecating gestures, the occasional wistful question—that, like the rest of us, he probably knew nothing at all. Every once in a while, he would get up and walk over into an alcove and come back with a manuscript. It would be a "Disquisition" by himself on the subject we were discussing. He would read it to me with an expression of delighted surprise at the wisdom he found in it—a surprise which I fully shared. Scripps had a mind like Montaigne's—fertile, discursive, full of extremely rational doubts and speculations about everything under the sun. And though he lacked the sublime gift of language, his Disquisitions had the same qualities of personal candor, intellectual daring, and ultimate unanswerable doubt that Montaigne's Essays have. But instead of publishing them, he locked them up in an old black steel box to lie there until his grandchildren were grown up.¹

Montaigne may seem far afield, but there is certainly no American, least of all among those who attained wealth and power, with whom to compare him. He was an avowed atheist; he never went to church or the theater or a political rally or a ball game; he felt that "whatever is, is wrong"; he had so low an opinion of mankind, including himself, that he cared nothing for their respect and little for their affection; fame he regarded as a bauble; he never even made an effort to win or keep his self-respect (so he said); for twenty-five years he "consumed enough whiskey to keep three or four men drunk all the time," and then stopped absolutely; he was a far traveler, an omnivorous reader, a lover of poetry—much of which he found in the Bible in spite of what he called "the imbecility of Sunday Schools and so-called Sunday School teachers"; he knew all the maxims in Poor Richard's Almanack and didn't accept a one of them; he made it a point to sleep all he could, and never got up until he felt like it; he never

1. Selections from these Disquisitions were published not long ago in a book called *Damned Old Crank*, and I learned from the editor's introduction that I was one of the two or three "respected cronies" to whom he ever showed them.

kept books, and regarded the usual set of books kept by businessmen as "an unbearable nuisance." And yet he was one of the most successful businessmen in the entire history of our country. Starting as a farm boy coming to Detroit with eighty dollars sewn into the lining of his vest, he died at sea in a palatial private yacht, leaving an estate of over fifty million dollars.

He worked as a drug clerk, a three-dollar-a-week office boy, printer's helper, bill collector, sign-painter, seller of window shades, solicitor of subscriptions, newsboy, errand boy, newspaper reporter and rewrite man before he arrived at the city editor's desk in the *Detroit News*. The paper belonged to his half-brother James, but James disliked him and disbelieved in him, and he had a harder time getting an editorial job there than if he had been a total stranger. It was only by buying a desk, moving into the newsroom, and announcing himself errand boy without salary that he finally achieved it.

A reason for E. W.'s success was that by the age of twenty-four he had decided very exactly what he was going to do. He made this decision in Rome while on a jaunt through Europe paid for by another brother, George, who *did* like him. He shook George one day, and spent the whole afternoon stretched out on a fallen pillar in the Coliseum. He had dreamed, up to then, of becoming a great writer. He decided that afternoon to become a great power instead. He would build a newspaper kingdom. Others could do the writing and have the glory; he would stay in the background, unknown, unacclaimed, but with absolute control. He would never sell bonds or controlling shares in his newspapers. He would never invest in anything but more newspapers. He would keep his aim clear and his kingdom independent.

Another reason for his success is that he clearly understood what the essence of his own genius was—namely, practical judgment. By concentrating on it and letting others shoulder the work and the worry, he made an economy at the beginning that few ambitious men make until the end of their careers.

Nothing is more un-American in this brilliantly self-made captain of industry than the way he piled up a fortune without working. He founded his first paper, the *Cleveland Press*, in 1878 with an investment of only \$10,000, which he borrowed from his brother George. Sixteen months later, E. W. went to St. Louis to found the *Evening Chronicle*. Subsequently he returned to Cleveland, stayed six months, then left for Europe with his adored sister Ellen. From then until his death in 1926 he was in complete control of the *Cleveland Press*, yet during all those years—to quote his own words—"I have not spent as much as thirty days in Cleveland." By the turn of the century the *Press* was worth millions.

"I was always ready," he adds, "to do four men's

work in a day, when there was any occasion for it, but I was always seeing to it that such occasions were very rare . . . I have spent pretty nearly half of my waking hours with my eyes on some printed page . . . I am sure that from the time I was twenty-four, more than half my days have been spent with no conscious thought or attention to business of any sort. The practice of journalism seems to me, even now, to have been an unimportant incident in my life."

In a Disquisition called "Some Outlandish Rules for Making Money," he wrote: "I doubt if I have directly given a total of five hundred orders to all the men employed on my papers. My work has consisted in selecting a few score men, studying each, offering them opportunities, and inspiring them by my talks and letters each to develop what was best in him to the highest extent."

A few of his aphorisms will suggest the undiluted practicality of those "talks and letters":

1. It is possible for a hypocrite, by exercising constant restraint, to appear as good as the most sincere moralist, but it is awfully hard work.
2. Never do anything yourself that you can get someone else to do for you. The more things someone else does for you, the more time and energy you have for the things no one else can do for you.
3. Society owes nothing to any individual. Only that human being who can support himself or herself is entitled to a place in the world.
4. Never hate anybody. Hatred is a useless expenditure of mental and nervous energy.
5. Be diplomatic, but don't be too damned diplomatic. It is rare indeed when circumstances are such that a conscientious man can lose anything by fearless, frank speech and writing.

E. W. was especially fearless and frank about his illicit love life, and always insisted on such frankness in anyone who wrote about him. He had the bad-boy habit of dividing girls into "nice" and "not nice," and until marriage was both assiduous and promiscuous in his devotion to the "not nice" girls. One of them who had been his mistress in Detroit came to his office in Cincinnati where he was just getting a good start with the *Post* and tried to blackmail him. He summoned the city editor and directed him to call up the two rival papers and tell them to send over reporters. When the reporters arrived, he introduced his visitor.

"Miss Brown," he said, "used to live with me as my mistress. She was paid for what she did and we parted on good terms. She has come here today threatening to revive that story and asking for money. You are at liberty to print the story. So far as I am concerned, the incident is closed."

The story was run with big headlines, and to the surprise of everybody, it did no harm either to the circulation of the paper or the standing of its editor. Cincinnati's approval of fearless, frank speech evidently outweighed its disapproval of

illicit sex relations. When he married at the age of thirty-one, Scripps foreswore such relations and stuck by it.

Scripps began his retirement at the age of thirty-six, calling in his business manager, Milton McRae, one morning and offering him a limited partnership with a one-third share in salary and profits. To this he attached one condition: that McRae should run the Scripps-McRae papers on 85 per cent of their gross income. McRae accepted, and Scripps moved out to his ranch in California. For another ten years he continued to watch over the properties like a hawk, receiving daily and weekly reports from each paper, and traveling ten thousand miles annually to keep tabs on them. He traveled in a private car with two secretaries, working all the time. But when he got home he would give his whole heart again to planting eucalyptus forests and citrus groves, building reservoirs, laying miles of pipe to reclaim his private wilderness, growing up with his sons, reading books, and writing Disquisitions that had nothing to do with journalism.

What made this freedom possible was his uncanny gift for knowing men. On those annual trips he would usually see only the editor and the business manager of each paper, but often he seemed to know more than they did about their principal employees.

Once he sent a telegram to an obscure reporter named Alfred O Anderson, working for a small wage on a St. Louis paper, directing him to go to Dallas, Texas, and start an evening paper at the earliest possible moment. He would find money to his credit in a Dallas bank. Anderson, knowing what orders from E. W. meant, had a first edition of the four-page newspaper printed in St. Louis, took these copies in a trunk to Dallas, and got them on the street the next afternoon.

E. W.'s haste in this matter was due to an agreement with McRae that in expanding their business each should have as his special territory the region in which he happened to start a paper first. Scripps delighted to outwit people that way—just with superior energy and brains. Especially he enjoyed outwitting his semi-partner McRae, whose lack of humor he found as distressing as his enormous energy and concentration were admirable.

Scripps took a similar delight in outwitting the plans of the Associated Press to form a news-gathering monopoly in the United States. They offered to take him in, and when he declined the offer, set a zero hour; he could either come in then or remain forever out in the cold. He waited until the zero hour was past, making meanwhile all his preparations to establish a news agency of his own. Then he sent an emissary to their meeting, demanding that his papers be admitted on an equality with all others. When they responded with derisive laughter, he sent out his already prepared telegrams announcing the formation of the Scripps-McRae Press Association—subsequently renamed

the United Press. E. W. regarded this blow against monopoly in the gathering of news as his greatest service to American journalism.

To his serene recollection of the few orders he gave, his employees would add that when he did give an order, it was obeyed instantly or the explosion would rock the building. At home E. W. behaved like an oriental despot. His ranch-house castle was all on one floor, and as you passed from room to room, you would see tacked up beside each doorway in his handwriting:

SHUT THE DOOR. E. W. Scripps.

After breakfast, just before rising from the table, he would issue an order-of-the-day: "Bob, I want to confer with you immediately, and I'll see you again at two P.M. Nackie, I will drive with you at four. Max, we will talk in my office at ten."

Those talks would last from ten to one usually and be subject to renewal afternoon and evening. Upon dismissal, as I staggered from the room groggy with nicotine and sheer exhaustion of the brain cells, he would say "thank you for the conversation," as though I had had some choice in the matter.

Scripps estimates, in a frankly boastful Disquisition, that he was one of the thousand richest men in the United States and, with an apology for the "conceit," asserts that he was "2 per cent responsible for all that is good or ill in the management of this great nation." He once showed me a letter from Burleson, Woodrow Wilson's Postmaster General, acknowledging that the Administration owed its victory in the 1916 elections to the Scripps papers. So this "conceit" was not unfounded. Yet it was never present in his conversation. He had, with all his imperiousness, a vein of simple humility. I asked him once why he never tackled New York with a Scripps paper. "I'm not a big enough man," he said. "That takes a Hearst or a Pulitzer."

He was too big a man—too thinking a man—would be more exact. He was too fond of reasoning and reading books. He cared more about the thoughts he locked up in that iron box than those he expressed in his newspapers. His purest passion was for scientific truth.

As a man of the world, E. W.'s motives were, in fact, perilously mixed. One was a passionate determination to get rich—to rise into the employing class securely and forever. *It is more blessed to give than to receive—wages.* Of that maxim he became convinced in early youth, and his purpose to stay on the upper side of this transaction was as hard as steel. But at the same time he was instinctively hostile to men of wealth, and despised militantly the journalism which consists of "rich men talking to the other rich."

In 1900 his brother James, who was losing money on a newspaper in Chicago, begged him to come in and take over the management. They met to discuss

it in a hotel room that looked down on Dearborn Street. While they were talking, a noise of shouts and scuffling came up from below. It was a riotous incident in the teamster's strike then in progress. As they looked down, James muttered: "I wish I were mayor of this city; I'd teach those men a lesson."

E. W. said: "You want those teamsters clubbed, shot down, or arrested. I want them to win. That shows we can't work together. You'll have to go it alone."

Politically E. W.'s papers were independent, and they have been credited with having "freed the American press from its slavery to party title and obligation." But they were bound by a passionate loyalty to the workers and the common people—95 per cent of the population, according to E. W.'s evaluations. ("CP" and "95 per cent" were inter-office abbreviations employed on the Scripps papers to designate this object of their loyalty.) They championed every measure designed to improve the status of labor: the eight-hour day, closed shop, collective bargaining, workers' compensation, employees' insurance, anti-injunction laws. They also fought for the income tax, although Scripps regretted that in later years as bad economics.

It was instinctive with him to champion every measure directed against what he called the "wealthy and intellectual classes." He always linked those two adjectives in describing the chief enemy; and both adjectives, by no mere coincidence, exactly fitted him. A war like that against himself would defeat, if not destroy, most men. In most times and places it would defeat any man. But in American newspaperdom from 1878 to 1916—and in E. W. Scripps—it produced an enormous personal fortune and one of the most powerful weapons ever wielded in behalf of the underdog.

There was a developing class struggle in America in those years, and the Scripps papers, without getting tangled in the doctrinal formulation of it, took the side of the rising class of wage labor. E. W. stoutly and constantly championed the cause of the trade unions in his papers. But he had the good sense to leave socialism alone, or dismiss it with the remark: "Class warfare must be perpetual." Indeed, he saw through socialism more clearly than any other critic I met in those days. He surprised me by saying: "Your propaganda will probably in the long run succeed." And then he added: "The thing you'll get will be as different from what you are talking about as modern organized Christianity is from the visions of Jesus."

Scripps did give money to my magazine, although he refused to call it a gift. He called it an experiment. "You come out here next year and show me your financial report," he said, "and I'll know whether I acted from sentimentalism or good sense."

The next year my business manager made a

report from which the inference was unescapable that Scripps ought to double his contribution. I explained this to him while he looked over the document.

"Max, you make a good speech," he said, "but I knew that already. I heard you over in San Diego. The figures on this paper, on the other hand, convince me your magazine is a failure. It's a delight to me personally, but it isn't good business. You'll have to find a philanthropist. I'm a businessman."

He was a businessman in matters of journalism, but in promoting scientific research and the popularization of science, he was a notable philanthropist. A press release bureau called Science Service, established by him, was the pioneer in making technical knowledge available to the public. The Scripps Institute for Biological Research and the Scripps Institution of Oceanography at La Jolla, California, are among our most valued scientific institutions. And according to my recollection of him, these implements of inquiry, as eminently as the United Press or the great Scripps-Howard chain of newspapers, are the children of his mind and spirit.

Letter from Vienna

Foreign Office Mystery

By R. G. WALDECK

The appointment of ex-Chancellor Leopold Figl as successor to Foreign Minister Karl Gruber ought to write "finis" under what the Viennese call "the affair of the Foreign Office"—but presumably doesn't. Too many obscurities and puzzles surround the case.

After eight years as foreign minister, Dr. Gruber resigned at the request of his Catholic People's Party, just a few days after a chapter of his memoirs had been published in *Die Presse*. This chapter describes negotiations which took place in 1947, when heads of the Catholic People's Party, including both Leopold Figl and the present Chancellor Julius Raab, discussed the possibility of a coalition government with Austrian Communists.

What was so sensationally indiscreet about Dr. Gruber's describing these negotiations which were publicly debated in Parliament at the time? Why such excitement about a mere rehash of what everyone knew anyway? On the other hand, why did Dr. Gruber choose just this moment to air a half-forgotten episode which does no credit to his party and its leadership?

The interpretations of the Gruber affair that one hears from so-called "informed sources" here throw light on the intricacies and ambiguities of present-day Austrian politics. According to one

version Gruber, being the exponent of pro-Americanism in the Cabinet, took a dim view of Chancellor Raab's new course of dealing directly with the Soviets without prior consultation with the Western allies and without their participation. His idea in raking up those old negotiations was to jolt public opinion and thus force a full-dress debate on foreign policy.

Then there is a school of thought which views it all in terms of the struggle for power within the Catholic People's Party between the Bauernbund, represented in the Cabinet by Gruber, and the Wirtschaftsbund, represented by Raab. The Bauernbund fears increased trade with the East, because it would involve large agricultural imports bound to bring down prices. The Wirtschaftsbund, on the contrary, is all for intensifying such trade, because Austrian industry is in sore need of markets. Thus Gruber, these sources have it, tried to stab Raab in the back in behalf of the Bauernbund.

A third version blames it on the Americans, who, they say, wanted to get rid of the "neutralist" Raab and get the "staunchly pro-Western" Gruber appointed in his place—and hence suggested to Gruber that he remind the public of Raab's earlier fall from grace.

No Velvet Gloves

Actually, none of these explanations quite fits in with the character of the principals as shown by their past actions. It is difficult to see how Gruber's supposed opposition to Raab's supposed neutralism tallies with his pilgrimage to Switzerland last June to see India's Nehru. According to the Vienna newspaper *Neues Oesterreich*, Gruber asked Nehru to intervene in Moscow with regard to the Austrian state treaty, and Nehru assured him of his "good offices." When a few days later Nehru told an Egyptian correspondent that there was absolutely nothing to this report, Chancellor Raab's mouth-piece *Neue Wiener Tageszeitung* featured Nehru's denial. Which was, so it was said around the Ballhausplatz, Raab's way of indicating his displeasure with his foreign minister's excursion into neutralism.

Altogether, it would seem, Raab never bothered to put on velvet gloves before slapping down his foreign minister. He didn't think much of Gruber and never hesitated to let him see that, even when others were present. Nor did he discourage his high officials from spreading the word that Raab ought to be his own foreign minister, just as Adenauer is. So it is quite possible that what really prompted Gruber to dig up the negotiations with the Communists was the desire to get even with the Chancellor. Another motive might have been the realization that the Americans were unhappy about Raab's foreign policy and that it would be a feather in Gruber's cap if he succeeded in getting rid of him.

But Dr. Gruber has overrated his secret weapon—at least for the moment. "The betrayal of Europe," Talleyrand once said in this very Vienna, "is a matter of dates." Few Western statesmen could cast the first stone at the Austrian politicians who tried to "play footsie" with the Communists in 1947 without being reminded of their own mistakes at Yalta and Potsdam.

The first round went to Dr. Raab. Not only did he stay in power, but by forcing Dr. Gruber's resignation he prevented a debate on his controversial foreign policy. On the other hand, the nomination as Gruber's successor of Dr. Figl, the Austrian statesman whom Washington loves to trust, shows Raab's pro-Western leanings.

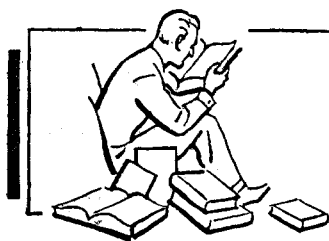
Ever since last summer Austrian conservatives have complained about the severity with which Chancellor Raab is being decried in the United States as a neutralist or even a fellow-traveler. They say he is neither; it was just his bad luck that the Russians began to shower concessions on Austria just when he became Chancellor last spring—abolishing the frontier controls between the zones, lifting the censorship on mail, radio, and telephone, returning Austrian railway cars, and even renouncing payment of Soviet occupation costs. What could Raab do but accept this rain of blessings with the best possible grace?

The fact is that the Russians might have made such concessions to any Austrian chancellor, since they fitted in with the appeasement policies of the early post-Stalin era. And yet it would seem that Raab is the kind of Westerner who appeals to the Soviets, who have always gone out of their way to do business with arch-conservatives who did not even try to work up any ideological sympathy with them.

High officials of the Ballhausplatz insist that all Raab is out for is to obtain as many political and economic concessions for Austria as possible. These evidently include, American displeasure notwithstanding, the attempt to revive Austria's trade with the East.

It is one of the piquancies of the political situation here that the most vociferous opponents of the foreign policy of the Catholic People's Party are the Social Democrats. Although they form a government coalition with the People's Party, they violently attack Raab's "fellow-traveling," and it looks on the surface as though they might cause his downfall in Parliament by ganging up with the independents. But connoisseurs of the Austrian political scene say that the two parties see pretty much eye-to-eye, and that it's all a well-directed show, designed to keep the doors open to both camps of our divided world.

All in all, there is little doubt that the Austrians will always choose the side of the West. But they are a little truncated nation between two worlds, and they must do some political haggling in order to survive.



Harold in Wonderland

By JAMES BURNHAM

It is tiresome that publishers think they have to call things "secret" in order to get people interested in them. (*The Secret Diary of Harold L. Ickes: The First Thousand Days, 1933-36, 738 pp., Simon and Schuster, \$6.00.*) Like most other diaries, that of Harold Ickes is a personal document, and was kept private during the period that it records. Like nearly all diaries of public figures, this one was obviously designed to become, later on, part of public history, as it now does. It is neither more nor less secret than other works of its kind, and it is much too interesting to need the support of any fakery in the title. The "Thousand Days," incidentally, are in fact 1,330.

For sheer words alone, it is sufficiently astounding. Ickes began his diary when he took office as Secretary of the Interior at the beginning of Franklin Roosevelt's first Administration. This initial volume, running only through the 1936 election, contains 300,000 words. These are only a quarter of what Ickes wrote during that time. Before his death in 1952 he had passed the 6,000,000 mark. That would have been a respectable output for a full-time pulp writer.

It took Ickes a couple of years to find his verbal pace. The early entries, although their content often fascinates, are utterly without style. Gradually his syntax and his personality loosen up. There is a kind of turn along about the end of October 1935, when he narrates the fishing trip that he took with the President from San Diego around through the Canal and up to Charleston. Harry Hopkins, Dr. Ross McIntire, Lieutenant Colonel Watson (military aide), and Captain Wilson Brown (naval aide) were along, and they had the cruiser *Houston* for their yacht. It was "a congenial crowd and everything went off smoothly. . . My quarters really were luxurious. The food was excellent and varied." The fishing, poker, and Colonel Watson's jokes were fine.

By July 1936, when the President came with the White House intimates to dinner at his home, Ickes was able to enjoy himself in prose as in life:

The President got out about a quarter to seven. The dining table was set on the lawn, since it was a warm, clear day with no wind. . . From the car he was carried to my own favorite chair which I had had taken out on the lawn for him. After cocktails and cocktail sandwiches, we moved him over to the table where the eight of us sat down. We started with honeydew melon, then had cold

salmon with mayonnaise dressing, as well as cucumbers and tomatoes, bread and butter, then squab with peas and potatoes. Then followed a green salad with a choice of cream, Swiss, or Roquefort cheese. For dessert there was my own special ice cream, black raspberry, with cookies and coffee to finish with. For wines, I served Chateau Yquem [*sic*—even so accomplished a gourmet refuses to write it "d'Yquem"], a good claret, and a good vintage champagne. We had liqueurs afterward. . . I kept them all supplied with their favorite highballs. The President certainly carries his liquor well. He must have had five highballs after dinner.

And what a good time they did have with all the power and all the money! Reading this diary I could appreciate more fully the stunned gloom that I saw in the Democratic faces of Washington in November 1952. It was as if the smiling President had taken his motto from the phrase that Leo X used when he finally maneuvered himself onto the throne of St. Peter: "Since God has given us the Papacy, now let us enjoy it."

The atmosphere that Ickes describes is, indeed, very much that of a Court. Everything revolves around the figure of the monarch. All is personal intrigue, favoritism, whispers, backbiting, promises made and forgotten, feuds given and taken away, indirection. What counts is not so much official rank and title as nearness to the person of the king. Richelieu-Frankfurter, with no post in the government, moves in and out of the White House corridors. Don Richberg is one day "assistant President" and the next, cast into outer darkness. Cabinet members congratulate themselves when they are granted fifteen minutes with Missy Le Hand or Grace Tully, quarrel bitterly over who will get two or three private minutes after the general Cabinet meeting, and swoon with delight if the ruler grants them an audience in his bed-chamber. On Friday, August 23, 1935, for example:

I had a ten-thirty appointment with the President. . . When I got up to his study, his valet ushered me into his bedroom, telling me that the President was shaving. He waved toward the bathroom and the President called out to me to come in. There he was, sitting before a mirror in front of the washstand, shaving. He invited me to sit on the toilet seat while we talked. . . I was struck all over again with the unaffected simplicity and personal charm of the man.

Queen Eleanor and Court favorite Hopkins were a great trial to the Old Curmudgeon. The Queen insisted on putting her finger into every pie;

and though they were big pies there were a lot of eager fingers. ("And then Mrs. Roosevelt took the Reedsville project under her protecting wing with the result that we have been spending money down there like drunken sailors.") Then the Princes dropped by for their princely handouts:

Jim Farley told me that a few days ago Elliott Roosevelt . . . had come to him to ask him to use his influence to get a certain wave length for interests that either were Hearst interests or closely allied therewith. Elliott told him that there would be a commission of \$40,000 in it for himself. . .

The papers carried a sensational story about a contract . . . between Fokker and Elliott Roosevelt, by which the latter was made Fokker's agent for a consideration of \$500,000 . . . Elliott Roosevelt had been paid a retainer of \$5,000. . .

They say that James Roosevelt does the same thing in Massachusetts in his insurance business.

Harold Ickes was never a real insider, although he was there in the Cabinet for all of Roosevelt's thirteen years. He was used by Roosevelt, as that brilliant manipulator of men used so many others. Ickes had a good if eccentric public reputation. He had been a "progressive," Bull Moose Republican all his life, with roots in Pennsylvania by birth, and in Illinois by choice of residence. He was a tireless worker, and made himself into a convincing speaker and writer.

At the same time, Ickes was politically naive, personally vain, and a lover of both power and the limelight. The President, and such of his aides as Hopkins, could play him like a harmonica. One of the most fascinating narrative threads that runs all through these pages is the account of how Hopkins cut Ickes to pieces on the issue of who was to control the major part of the "relief" money, and for what. Ickes retained a few old-fashioned prejudices about using the money for solid, lasting projects, more or less responsibly audited, with some chance of eventual repayment of government contributions. Hopkins quickly realized the more up-to-date notion that the most important thing billions of dollars can buy is votes, and he planned his WPA program and projects accordingly. Ickes was licked from the start, although for nearly two years he fought a dogged battle. To the end he never really knew what had hit him.

Harold Ickes had admirable and useful qualities, many of them very much in the American tradition. As a political leader, he also had conspicuously a typical American lack: the lack of any serious or systematic ideas. The literal result was that he never, politically speaking, knew what he was doing or where he was going. He was for anything "progressive," and he was against "the interests." In these 300,000 words written about the government of the most powerful country of the world in one of the most crucial periods of its history, there are only four lines of discussion of political principles:

The fundamental issue that must be decided in this country sooner or later . . . is whether we are to have real freedom for the mass of people, not only political but economic, or whether we are to be governed by a small group of economic overlords.

When the main national job was the physical opening of the frontier, the lack of serious ideas may not have mattered much. In this complex century we shall have to do somewhat better. If you don't know what you're doing, then you are vulnerable to someone who does. Ickes had no ideas, and was wide open to Roosevelt and Hopkins, who had at least a few. We are now learning in documented detail how the New Deal leadership as a whole was, in turn, open to the Communists, whose ideas were stronger, clearer, and more farsighted.

The Real Russia

Russian Assignment, by Leslie C. Stevens. 568 pp. Boston: Little, Brown and Company. \$5.75

There is a simple and basic test for books by foreigners who have sojourned in the Soviet Union: if the author can go back, the book isn't worth reading. Had this test been applied by the American people in the years of the great tide of volunteer Kremlin press-agentry, they would not have been so tragically befuddled by the Hinduses, the Durantys, the Anna Louise Strongs.

Admiral Leslie C. Stevens assuredly will be unable to return to Russia, which he learned to love for all its faults, until the country has emerged from its Bolshevik nightmare. Any margin for doubt on this score has been erased by a bilious attack on his book, *Russian Assignment*, by Radio Moscow. Comrade Timofeyev, the Red commentator, has formally identified the Admiral as a prevaricating "U.S. chief of espionage" who "was eagerly looking for people dissatisfied with the Soviet order" but of course "did not succeed in finding such people."

In truth the Admiral did find them, and without looking. Moved by a robust curiosity, he wandered off the beaten tourist and diplomatist routes and, having come to the assignment with a knowledge of Russian, managed to meet ordinary Soviet citizens in considerable variety. They sought him out as often as he sought them out, and occasionally they talked from the heart with the courage of their desperation. Before he fully realized the risks involved for Soviet citizens, he tried naively to chat with them in public, only to discover that they "seemed uneasy and turned away." He learned the lesson learned by every outsider with a conscience—never to speak to a subject of the Kremlin unless spoken to. In time, indeed, he schooled himself to cut short burgeoning friendships just to protect his friends.

The element of danger made the bursts of candor that did come his way more dramatic and more significant. Once, for instance, he went into a shabby out-of-the-way beer hall. A man in his thirties—an agricultural expert from a distant collective farm, as it developed—sat down at his table. After studying the foreigner for a while, the Russian seemed to come to a daring decision. He plunged into talk:

You cannot possibly realize the unhappiness and discontent that is everywhere in Russia, particularly in the villages and on the farms, nor the dog's life which we lead. . . The whole land is ripe for a new revolution, and we would rise against our leaders overnight if we could only get our hands on the means with which to do it. But we cannot organize ourselves to do a thing: we Russians cannot talk about our sorrows with other Russians. There are so many spies and informers that we do not know whom to trust.

The Admiral notes that this was his "first opportunity to talk with a chance Russian who had not previously been oriented with reference to foreigners" and it netted "strong evidence to support one viewpoint on Russia with which everyone is familiar." There were other such opportunities through the three years, 1947-49, he lived in the U.S.S.R. as our naval attaché. And he was an eyewitness to sudden disappearances of Soviet citizens, to the tragedies of little people living in an ambience of fear. Slowly there grew upon him the sense of repressed resentments and muted angers under the policed surfaces of Soviet life which this reviewer, too, had known in his time—the sense that the most vital and meaningful parts of life are hidden, subterranean, deep-running.

But my emphasis on this aspect of his fascinating report is probably unjust to the book, since it is not primarily political. The author even seems determined to avoid forthright political assessments, preferring that his readers simply share his experiences and observations.

Admiral Stevens is a man of remarkably wide interests and accomplishments: naval flyer, engineer, student, artist. For reasons that are not entirely clear he began early in life to study Russia and the Russians, their history, their culture, their language. Almost uniquely among Americans assigned to official duties in Moscow, therefore, he came to the scene not only eager but superbly equipped to understand the country and its teeming peoples. *Russian Assignment* is as many-sided and as catholic as its author.

The book is in essence a diary, a colorful mosaic of big and little pieces, ranging from the trivialities of Embassy housekeeping to profound comments on Russian literature and character. A sensitive and intelligent record of persons, places, incidents, impressions, the book follows no preconceived "line," argues no particular thesis, and reaches no sharp-edged conclusions. It is as diffuse and exciting and at times contradictory as

living in a strange land can be for a perceptive and honest visitor. I know of no book that comes so close to conveying the accent and flavor of life in Russia under the Soviet dispensation, that exposes more of the human facts within the propaganda wrappings.

On the train taking him to his assignment, Admiral Stevens was told by a woman doctor returning to her native Russia that "understanding comes from the heart as well as from the ears." There is evidence in every chapter that he did bring his heart, not only his ears and mind, to bear on his Russian experience. Perhaps because they felt this, Russians opened more of themselves to him than to others. The Ambassador under whom he served, who also wrote a book, gathered the impression that the people were fundamentally reconciled to their brutal despotism. The Admiral knows better. That was why he was able to conclude his diary with these touching words:

As I looked across the Black Sea towards the darkness that was Russia, I realized that the chances of my seeing that land again were very slight, and, because of that, a sort of sadness and depression, that which the Russians call *toska*, settled over me. Yet I know that as surely as light follows darkness, the problems created in a decent people by the forced maintenance of power will somehow in the end destroy that power.

EUGENE LYONS

Atom Spells Confusion

Report on the Atom, by Gordon Dean. 327 pp. New York: Alfred A. Knopf. \$5.00

The Secret War for the A-Bomb, by Medford Evans. 302 pp. Chicago: Henry Regnery Company. \$3.95

Ex-President Truman's publicly-expressed doubts about the workability of the Soviet A-Bomb set off a ragged train of official, semi-official, and unofficial comment that still has the layman's mind reeling. Attempts to disperse the confusion have only added to it, until today it is not hard to understand the officially-lamented apathy of the citizenry to civilian defense and atomic policy. While both *Report on the Atom* and *The Secret War for the A-Bomb* shed considerable light on the subject, neither book leaves the reader with the feeling that he at last knows what it's all about.

Gordon Dean, former chairman of the U. S. Atomic Energy Commission, gives a fact-filled report on all aspects of atomics as he sees them. But one gets the feeling that he's doing his best to present a creditable picture, for the government if not for himself. The most interesting chapters are those explaining in readable, non-technical language the technical angles of atomic energy: what a pile is, what countries of the free world have them, what can be done with them, difficulties

of developing atomic weapons, prospects and realizations in the peaceful use of the atom, etc.

Mr. Dean grants that the Soviets have made rather alarming progress. He points out that developments made in some of the free world atomic labs such as those in France are probably made available in full detail and at top speed to the Soviets through agents and sympathizers on the project. But he ends by putting it all up to the citizen, who must try to understand atomics and guide our policy-makers, although one is at a loss to know where the citizens are to look for guidance.

Dr. Evans' view is a good deal less comforting even though he is much less willing to credit the Soviets with as much atomic progress as does Mr. Dean. It is our atomic policy weakness that worries Dr. Evans, and he knows whereof he speaks. For eight years he served as an official of the Atomic Energy Commission and resigned his well-paid job as Chief of Training a year ago because none of his recommendations in the problem of security education was being followed. Dr. Evans loosens one shocker after another in this field. He neatly blasts those who espouse the slogan "security by achievement rather than by concealment" to make free with our atomic secrets. Mr. Dean falls into this category. After all, security must keep pace with achievement, Evans points out. If our achievements are easily made available to the Soviets, then we are running on a treadmill.

Evans goes further than that. He suggests the possibility that the Soviet atomic explosions came from materials improperly diverted from our own atomic energy program, and every assertion he makes is heavily documented. He spotlights some amazing naiveté on the part of scientists who want to be statesmen. And he raps quite a few top statesmen whose naiveté was less excusable, such as former Secretary of War Stimson, who, in 1945, became "convinced that any demand by us for an internal change in Russia as a condition for sharing the atomic weapon would be so resented that it would make the objective we have in view less probable." Another absurdity in our atomic program Dr. Evans points out, was the fact that after we adopted for our Air Force a military doctrine based on the perspective of strategic bombing with nuclear weapons, we made Thomas Finletter—who did not believe in strategic nuclear bombing—head of that Air Force.

All of this adds up to the lesson which James Burnham succinctly sums up in his introduction; "We can handle the Communists if we handle ourselves. It is not so much that they are so intelligent and shrewd as that we have been weak and foolish. Moscow has made its mistakes, many of them and big. We have failed to profit by those mistakes, or to make good use of our own assets."

ROBERT DONLEVIN

Europe's Economic Record

Economic History of Modern Europe, by Heinrich E. Friedlaender and Jacob Oser. 611 pp. New York: Prentice-Hall, Inc. \$8.00

In the quarrelsome family of social sciences, economic history occupies a position akin to that of a stepchild. The prevalent tendency in American (but not in British) universities is to emphasize economic theory in the effort to uncover the elusive "laws" which govern our complex civilization. Contrary to what the layman would expect, the practitioners of business forecasting and allied disciplines, concerned as they are with statistical series, tend to look askance at economic history in the broader meaning of the term. It may well be that this attitude is but self-defense: the more one learns about the past, the greater the reluctance to generalize about the future.

This being the case, a new volume on economic history deserves warm welcome. The general plan of the study by Friedlaender and Oser is engagingly simple. The book is divided into four parts: the rise of capitalism (to 1870); mature capitalism (1870-1914); the interwar period; and World War Two and after. Within each of these subdivisions, the authors present a matter-of-fact account of agriculture, industry, commerce, colonies, transportation, banking and finance, and social movements and labor. Succinct introductory sections provide the political background, while some hundred and thirty "biographical vignettes" serve as a useful reminder that history is the handiwork of men, a seemingly uncontroversial fact which, however, the devotees of the preeminence of impersonal economic forces are apt to overlook.

Unfortunately, the execution of this admirable plan is not wholly satisfactory. The scope of the volume is less comprehensive than is suggested by its title. Friedlaender and Oser deal systematically only with England, France, and Germany. Other European countries, including Russia, are discussed but incidentally and sporadically. It is refreshing, but not necessarily enlightening, to read an account of recent years in which the Soviet Union plays hardly any part.

What is far more important, the information presented in the body of the volume is not uniformly the best available; the authors, indeed, lean too heavily on sources such as the *Encyclopaedia Britannica* and textbooks, especially in sections dealing with international economic relations. The presentation of the material is at times faulty. The account of the French experimentation with the most-favored-nation clause after 1892—an exciting chapter in the history of European commercial policy—is singularly confused and uninformative. It is surprising to read that after the United States entered World War One, the financial

relations between the Allies and the United States "remained unaltered." On the contrary, the Liberty Loan Acts, from which stemmed the Inter-Allied Debts, were the direct consequence of American belligerency and basically changed the financial situation. The statement that the Versailles Treaty put the Saar for fifteen years under a French (instead of an international) administration should be, presumably, regarded as a misprint. In their discussions of German industry under Hitler, the authors inexplicably do not even mention the comprehensive system of industrial controls headed by the Chamber of Economics. The questionable theory that "the British-German trade rivalry" was "one of the major causes of World War One" (p. 120) is not easily reconcilable with the assertion that business leaders in both countries exerted themselves to prevent the war (p. 347).

Hence, in the end, this *Economic History of Modern Europe* does not live up to the expectations raised by its basically sound and reasonable approach.

MICHAEL T. FLORINSKY

Indian Tragedy and Splendor

Cheyenne Autumn, by Mari Sandoz. 282 pp. New York: McGraw-Hill Book Company, \$4.50

The World's Rim, by Hartley Burr Alexander. 269 pp. Lincoln: University of Nebraska Press. \$4.75

Here are two books dealing with the North American Indian which, however keen our awareness of the tragic nature of his history, must serve to heighten it. They are of totally different character. *Cheyenne Autumn* is a sensitive and dramatic account of one of the most shameful episodes in the long chain of wrongs inflicted upon him; *The World's Rim* is a sympathetic and scholarly study of the Indian attitude toward life, pointing up through an examination of his ceremonials the deeply spiritual base upon which that attitude rested.

The story told in *Cheyenne Autumn* belongs among the heroic epics; it is one of the great tales of human endurance, of unconquerable spirit. It concerns the removal in 1878 of a band of 278 northern Cheyennes from their home territory in Montana to a reservation in what is now Oklahoma, and their indomitable march back from the reservation to the country where they were determined to end their days. It was not only that they wished to return to Montana; they were also ashamed to be placing an extra burden upon the southern relatives with whom they were to be quartered, and whom they found with insufficient provision for themselves.

Of the 278 who set forth on that terrible journey, nearly two-thirds of them women and children, less than half reached the Yellowstone. They were pur-

sued by troops in steadily mounting numbers, until finally the little band was being hunted down by more than 10,000 men. That any of them came through is astonishing; the resolution and skill of their chiefs, Little Wolf and Dull Knife, were prime factors; the courage of the women and children, matching that of the men, was another. They were inadequately armed, they had not enough horses, they encountered bitter weather, they were frequently weak to the point of exhaustion from exposure, fatigue, and insufficient food. Yet they pushed on.

Already, before this march, the Cheyennes had suffered much at the hands of the white invaders. Their women and children had been massacred by the infamous Colonel Chivington at Sand Creek, Colorado, in 1864, and they were to see them shot down again on this flight fourteen years later.

One of the proudest of the Plains tribes, the Cheyennes have good reason for bitterness, even today. This reviewer has made several visits to the reservation on which the northern branch of the tribe was finally settled, on the Tongue River in Montana. There the descendants of those who made the incredible march up from Oklahoma live now in deplorable condition, in spite of the unremitting efforts of the resident superintendent, Carl Pearson, one of the superior men in the Indian service. The land on which we expect the Cheyennes to make a living is not adequate either for profitable farming or for cattle-raising.

The sources of that spiritual strength displayed by the Cheyennes during their ordeal are set forth in *The World's Rim*. This book, although ready for publication in 1935, was still unpublished at the time of Mr. Alexander's death in 1939; the University of Nebraska Press is to be congratulated for having made its appearance possible. In his dual role of philosopher and anthropologist, Hartley Burr Alexander was admirably equipped to interpret the Indian conception of life. The reading of his book should disabuse any reader who conceives of the Indian as a simple savage. The symbolism of his ceremonials was rich in poetry, his view of life profoundly ethical. His wise men were capable of philosophical subtlety, and their thought was motivated by a deep idealism.

As Dr. Alexander remarks, "The accumulation of property as an end in itself, which bulks so huge in the white man's economy, hardly finds a place in the Indian's consciousness." There was such a thing as Indian wealth—horses, accoutrements, ornaments—but its meaning, Dr. Alexander points out, was natively not in itself, so much as in uses and meanings.

Both these books should be helpful in correcting the distorted view of the Indian's nature which has so long been propagated by our schoolbooks; only during recent years has the effort been made to place him in a fair perspective.

J. DONALD ADAMS

Briefer Mention

America Faces World Communism, by Anthony Trawick Bouscaren. 196 pp. New York: Vantage Press. \$3.00

Anybody who wants to acquaint himself with the fundamental facts about the Soviet threat to America would do well to read this book. Mr. Bouscaren, professor of social science at the University of San Francisco, has undertaken a triple task. He has made a convincing and urgent plea for a determined and dynamic American foreign policy, based on the assumption that we are already engaged in the life and death struggle of World War Three. He has written a brief report on the major battlefronts, here and abroad, of this global war which, he says, we have been losing so far because we have refused to face up to the brutal facts of this struggle. And, in an appendix, he has asked and answered sixty-three basic questions about the nature, strategy, and tactics of Communism. He has done all this in the limited space of some 200 pages. And, for the most part, he has done it well. In an excellent chapter on the political history and strategic importance of Spain, Mr. Bouscaren disperses the sentimental fog of "liberal" agitation which has clouded much of our thinking about this country. And in his concluding recommendations, stressing the importance of the Asian front, he states that since a "peaceful co-existence" between the Soviet empire and the free world is impossible, according to Communist doctrine, our only alternative is not a fatal "Maginot Line" strategy of defense, but to build up the free world for an offensive—psychological, political, and military—"leading to the ultimate cutting of the Soviet cancer from the world body politic."

The Shocking History of Advertising, by E. S. Turner. 351 pp. New York: E. P. Dutton and Company. \$4.50

The title of this worthwhile book is misleading, perhaps ironically. For Mr. Turner's amusing and often startlingly informative discourse on advertising in Britain and America during the last three hundred years is anything but a moralizing exposé of the horrors perpetrated in the name of salesmanship, as the word "shocking" tends to imply. Indeed, Mr. Turner tackles his fascinating subject with a rare mixture of mundane wit, detachment, and sincerity. And the only "shocking" fact for him, perhaps, is the process by which people have been conditioned to accept almost anything suggested to them long and often enough. This, he shows, began with the first ad for that "approved *China* drink, called by the Chineans *Tcha*, by other nations *Tay*, alias *Tee*" in Britain's *Mercury Politicus* of 1658, and still

goes on, as darling little beer cans dance across a few million television screens every day. But even this point Mr. Turner does not press very hard. And among the most rewarding parts of this quietly factual book are the illuminating sidelights it sheds on the mores and morals of eighteenth and nineteenth century society, in Britain particularly, as revealed in the classified advertisements of the day.

The Age of the Moguls, by Stewart H. Holbrook. 373 pp. New York: Doubleday and Company. \$5.00

The great tycoons of American industry are a subject of ever-fascinating interest, and Mr. Holbrook has made the most of it. With infinite skill, he has woven the incidents of their lives together in a grand panorama that is both richly informative and continually exciting. His portrayal of his characters as rogues and rascals forever engaged in dishonest dealings is perhaps somewhat overdone. It is historically unbalanced to judge the money-making practices of an age when business was almost wholly free of rules and regulations by the standards of today, when it is ruled and regulated from top to bottom. In spite of this excessive tone of moral reproach, Mr. Holbrook seems to have a kind of underlying admiration for his moguls and their exploits. At any rate, he gives the impression that piling up fortunes was rollicking good fun. *The Age of the Moguls* is the first in The Mainstream of America Series being brought out under the editorship of Lewis Gannett.

Tomorrow's Air Age, by Holmes Alexander. 248 pp. New York: Rinehart and Company. \$3.00

What new technological developments, especially in aviation, can we expect in the foreseeable future? Can the human body and psyche, as well as our manpower resources, cope with the ever-increasing technical demands of the Air Age? These are two of the basic questions Mr. Alexander, a skillful reporter and science enthusiast, tries to answer in this persuasive as well as alarming book. According to the many reputable sources Mr. Alexander has canvassed, nothing is impossible for our scientists. There is no place "among the stars or beyond the stars" where man will never travel. The only straggler in this race of progress is man himself—the human body which was not designed for an airborne existence. But even here, Mr. Alexander points out, aviation medicine, a new science, will overcome most obstacles. With diets, drugs, psychological treatment, with improved gadgets exploiting the senses of touch, taste, and smell and with, perhaps, some special breeding, our scientists will lick this problem. Even if one might revolt at the prospects of this boundless belief in "progress," Mr. Alexander's book makes interesting reading.



Capitalists on Broadway

By SERGE FLIEGERS



Hobe Morrison, the drama sage of *Variety*, cites the old adage that on Broadway two plays about the same subject at the same time are a coincidence, three plays about the same subject constitute a trend. If this is true, we are perhaps in the midst of a trend, since three of the latest successful Broadway productions concern capitalists. The fact that these three plays—*The Solid Gold Cadillac*, *Sabrina Fair*, and *Madam, Will You Walk*—approach capitalists and capitalism from three entirely different points of view makes this apparent trend only more interesting.

Capitalists, it is true, have not been exactly absent from the American stage in the years that preceded the current season. *Androboros*, the very first play to be written, printed, and produced on American soil, was a satirical indictment of the well-to-do burghers of New York's Trinity parish. In subsequent tear-jerkers the capitalist villain type, demanding his rent and ruthlessly foreclosing delinquent mortgages, persisted throughout the era of our Victorian melodrama, and would probably still be around today, despoiling the honor of fair maidens, had not American playwrights found a more sophisticated version of this stock character.

Having drunk deeply at the fount of Shavian Socialism, our young dramatists during the first decades of this century established what might be called the "Greenwich Village" school of playwriting, and presented plays whose villain was no longer the capitalist but the "system"—*i. e.*, of course, the capitalist system.

But the frontal assault on the "system" came in the thirties, and was led by such determined literary guerrillas as Clifford Odets, Elmer Rice, and Lillian Hellman. Commenting on the dramatists of that era, John Gassner remarks: "The emphasis they placed on economic motivation and upon dialectical materialism tended to become literal, stereotyped, and even naive. They were prone to blame every intestinal disturbance on the big bad wolf 'Capitalism,' and on the 'system'."

One of the men who pulled the American theater out of this dreary pursuit was George S. Kaufman, the father of America's *comédie humaine*. Thus it is no coincidence that we find Mr. Kaufman at the head of the present trend. He is the author, in collaboration with Howard Teichman, of *The Solid Gold Cadillac*. Even Mr. Kaufman, however, does not manage to add anything to the stage prestige of the wicked "capitalist." His story concerns a

little old lady (played with her usual aplomb by Josephine Hull) who parlays her ten shares of the mammoth General Products Corporation into a riotously funny and successful career as a tycoon. Let us not mislead anyone by claiming that *The Solid Gold Cadillac* is a significant or serious play that evens the balance about the American businessman. On the contrary, *Cadillac* takes some sharp cracks at the "corporation type."

If *The Solid Gold Cadillac*, so to speak, gives the poor American capitalist a few slaps on the hand, *Sabrina Fair*, by Samuel Taylor, deals an unexpected rabbit-punch. Pitched at the carriage trade, the play's locale is the north shore of Long Island—notorious as a habitat of the *capitalistus americanus*. Its cast of characters sports a retired millionaire, whose main enjoyment and occupation is attending funerals; and his son (Joseph Cotten), a young man as ruthless in affairs of the heart as he is in his business dealings. From Paris arrives Sabrina, the chauffeur's daughter, played to the hilt (and even somewhat beyond) by Margaret Sullavan. The ensuing complications take up two long and rather dreary acts. But Miss Sullavan's numerous and devoted followers are obviously happy. And perhaps it makes no difference to them whether she is reading Mr. Taylor's inconsequential prose or the telephone book. *Sabrina Fair*, indeed, may be a fine vehicle for Miss Sullavan. But as far as the concept of the American capitalist goes, it presents him once more in the superficial and tasteless way that is neither necessary nor amusing.

In contrast to this, the late Sidney Howard's handling of Mary Doyle, the poor little rich girl in *Madam, Will You Walk*, is masterful. Mary Doyle is a capitalist by virtue of the fortune she inherited from her father, a graduate of Tammany Hall. With the arrival of a snobbish fiancé and an honest taxi driver, the audience is about to settle down to the old cliché of the heiress forsaking her burdensome fortune to seek "true" happiness with the poor-but-honest suitor. At that point, Mr. Howard introduces Dr. Brightle, an enigmatic gentleman of undefined financial status. And under the guiding hand of this mysterious doctor, Mary Doyle takes time out to prove, among other things, that people with money might be human, too. But since the American theater has been so steeped in the anti-capitalist cliché, it takes the combined efforts of co-stars Hume Cronyn and Jessica Tandy, the wit of Mr. Howard, and the energy of Messrs. Hambleton and Houghton, who produced the play, to put over even this not very startling point.

Whether this present crop of plays dealing with capitalists actually presents a trend or not, one thing is certain: though the present season on Broadway leaves the stage capitalists somewhat less stereotyped, the cliché has not yet been broken.

FROM OUR READERS

(Continued from p. 256)

coinage-of-silver scheme. But when Franklin Roosevelt, on the advice of Cornell poultry professor George E. Warren, took us off the gold standard, he opened a Pandora's box of troubles. Our farm problem, our labor troubles, our high cost of living stem from this stupid, not to say criminal, interference with economic law.

San Francisco, Cal. JEROME LANDFIELD

Missouri Wildcat?

Why flatter Harry Truman by calling him "the touchy Missouri wildcat"? ("McCarthyism, Communism's New Weapon," December 14) He's so much more like an irascible old alley tom cat whose claws are blunted and teeth disappearing, who thinks he can fool opponents by yowling and glaring more fiercely. To give him credit for more is to encourage him in his fallacy.

MRS. P. M. RULEAU

Mountain View, Ark.

The Voters and Television

I enjoyed Herbert Corey's article ("TV and a Revolution") in your issue of December 14. I think Mr. Corey has a very good point when he says that local television stations can promote a new interest in the affairs of the community. For if people can take a look at the way many of their chosen representatives behave in the state or municipal legislature, they will get a much better idea of what is really going on. They will start to ask questions. And they will, perhaps turn in their verdict the next time an election comes around. This should provide many of our representatives with a new incentive.

For this very reason I also think it would be a good idea if Congress would be televised. I have spent a lot of time sitting in the visitors' gallery of the House in Washington and was appalled by some of the things that were going on on the floor. I think if our Congressmen knew that a whole nation was keeping an eye on them through television, it would certainly spur their efforts.

Washington, D. C. ALFRED J. BARKER

Whose "Voice"?

Reading your issue of November 30, I came across your disturbing editorial "Whose 'Voice' It It Now?" It seems incredible that any responsible official of the U.S. State Department, especially the new chief of our propaganda activities, could make such an unin-

formed statement. Does Mr. Streibert really believe that "Russian imperialism" and "not Communism as such" should be the target of our efforts? If he does, then he should be classified with those officials who saw the Chinese Communists as "agrarian reformers" and sat back while they swallowed up China. But in this case he should not be in the State Department, in a policy-making capacity.

New York City HUGH F. GOODWIN

Who Owns Niagara?

I was most interested in the article "Why Socialize Niagara?", which appeared in your November 16 issue. Governor Dewey's argument that the state should develop the water power because it belongs to "the people" is based on a false premise. The Niagara River does not belong to the State of New York or the people therein. It belongs to the Seneca Nation of Indians who never surrendered one riparian right in any treaty but sold their lands "to the high water mark" of all water ways. The power companies in New York State and all state officials are well aware of this fact. So Governor Dewey . . . would be doing more for the people of the state if he would settle this issue of title to the Niagara. Wonder what would happen if the Senecas decided to assert their rights and took over the power plants?

Herndon, Va. A. L. TANDY JEMISON

Use of Wiretap Evidence

This letter was originated by a non-partisan group of women in the hope that it will reflect the attitudes of many other American women.

Our scientists perfected the atom bomb at a cost of millions of dollars. Now we are spending billions to protect ourselves against those to whom the secrets of the bomb were given by Communist espionage agents. The same story may be told about radar, the proximity fuse, and other defense secrets.

The FBI has incriminating evidence against subversives but may not use this evidence in federal courts as it was obtained through wiretaps.

In 1929 the Supreme Court of the United States ruled that wiretapping by law enforcement officers did not violate any of the provisions of the Constitution or the Bill of Rights. In 1934 the Federal Communications Act was passed, which provides that: "No person not authorized by the sender shall intercept any communication and divulge or publish its existence, contents, or the substance of such intercepted communication to any person." Based on this legislation, the Supreme

Court ruled against the use of wiretaps in courts. But such evidence is allowed in courts of more than thirty of our forty-eight states.

We feel that if the use of such evidence were permitted in our federal courts, persons who are betraying our country could and would be convicted.

A number of Congressmen favor the passage of a law to permit the use of information secured by wiretapping as evidence in cases of treason and espionage. Those who wish to help can do so in a very simple way. Send a personal letter or post card to your representatives in Washington urging them to support such legislation. Ask your friends—both in and out of town—to write their representatives, and to suggest similar action to their friends. Copies of a mimeographed letter outlining the plan for your friends may be obtained from the undersigned.

35-55 73 St. MRS. FRANK LO PRESTO
Jackson Heights 72, N.Y.

The Lesson in Guiana

Nathaniel Weyl's informative article on Communist strategy in British Guiana ("Red Bridgehead in the Guianas," November 30) is another example of the FREEMAN's thorough kind of reporting. I have read a lot of stories about the events in that British colony which led to the suspension of the constitution and armed intervention. But I think Mr. Weyl has contributed the best analysis when he says: "The great advantage that may be obtained from this somewhat bungled situation is establishment of the principle that any Communist government set up by any means whatsoever within the free-world area will be suppressed and ousted, its capacity for, and commitment to, evil having no relationship to the techniques by which it gained and fortified its power." I hope we, as well as our allies, will take that to heart.

Chicago, Ill. WILLIAM S. SHEPPARD

A Practical Professor

I cannot refrain from telling you how much I enjoy the FREEMAN. An article especially enjoyed was the one in the November 16, 1953, issue. "If Management Walked Out." I am surprised that a professor of economics has such a sound, practical view of the facts about organized labor. Most professors seem to regard unions as benevolent or humanitarian institutions, rightly exempt from operation of the laws, civil and criminal, which apply to the rest of us.

Picket lines are not an exercise in freedom of speech. They are an instrumentality of intimidation.

Seattle, Wash. JAY MORRISON

The RIGHT side of the question . . .

How often in arguments and discussions with friends have you exclaimed: "You ought to have seen the article in the FREEMAN on that." And how many times have you been unable to produce a copy of that particular article to back up your point. Now you can have these articles on hand to give to your friends, to send them to congressmen, local officials, editors, clergymen, educators, and other people who ought to get the right side of the question. The FREEMAN has made available a number of reprints of significant articles which you can order in quantity and at minimum cost. So order them now. And next time you get into a discussion, let a FREEMAN reprint clinch your argument.

THE ESSENCE OF FREEDOM by Robert Montgomery

Robert Montgomery is, of course, the distinguished and much-loved stage, screen, radio, and television star who has recently won acclaim and new fame as a radio commentator and narrator of the popular television show, "Robert Montgomery Presents." His eloquent words should be read by every American.

Single copy .10; 25 copies \$1.00; 100 copies \$3.00; 1,000 copies \$25.00. Reprint #33

THE RIGHTS AND WRONGS OF LABOR by Donald R. Richberg

A noted authority tackles the proposition: industrial peace in this country is impossible so long as the leaders of organized labor are unchecked in the power they wield over their fellow-men and in their war on private enterprise. A provocative and important article.

Single copy .10; 12 copies \$1.00; 100 copies \$6.00; 1,000 copies \$45.00. Reprint #24

GAG RULE IN P.T.A. by Jo Hindman

The inside story of how nearly 8,000,000 parents and teachers are muzzled and indoctrinated by a small, powerful national group. This illuminating article should be brought to the attention of every parent and educator.

Single copy .10; 12 copies \$1.00; 100 copies \$6.00. Reprint #31

EMPLOYEES BECOME INVESTORS by Merrill Griswold

A noted investment leader describes several payroll savings plans that benefit not only the workers but also management and the federal government. Some suggestions for making investors out of salaried employees and the benefit therefrom. A 12-page, two-color booklet.

Single copy .10; 100 copies \$7.00; 1,000 copies \$60.00. Reprint #25

LET'S DEFEND CAPITALISM by Henry Hazlitt

What is the only answer to Communism? Henry Hazlitt, distinguished economist and Newsweek magazine columnist, provides the answer in one of the most perfect expositions of its type ever written. If you missed it in the FREEMAN, be sure to read the attractive 12-page, two-color booklet.

Single copy .10; 50 copies \$4.00; 100 copies \$7.00; 1,000 copies \$60.00. Reprint #10

HOW SICK IS SOCIALIZED MEDICINE? by Melchior Palyi

What happened to the fight for socialized state medicine? It went underground where even today tremendous pressures are being applied to put over this basic form of socialism on Americans. This reprint shows the actual results of Britain's national-health scheme . . . should be examined by every doctor, legislator, community leader.

Single copy .10; 100 copies \$7.00; 1,000 copies \$60.00. Reprint #6

DENATIONALIZE ELECTRIC POWER by O. Glenn Saxon

America's most decided advance toward collectivism to date has been the phenomenal rise, in the past twenty years, of socialized electric power. Here are the facts of the slow but sure growth of nationalized industry in the United States.

Single copy .10; 100 copies \$5.00; 1,000 copies \$40.00. Reprint #16

WHY SOCIALIZE NIAGARA? by Robert S. Byfield

Why does New York's Governor Dewey plan to have a State Authority develop "people's kilowatts" at Niagara Falls? Read the facts about how indefensible the plan is and how Governor Dewey belies his own professed faith in free enterprise.

Single copy .10; 12 copies \$1.00; 100 copies \$6.00; 1,000 copies \$45.00. Reprint #28

The FREEMAN
240 Madison Avenue
New York 16, N. Y.

Rush my copies of the following reprints . . . I have checked the ones I want.

#6..... #24..... #31.....
#10..... #25..... #33.....
#16..... #28.....

Mail to:

NAME

ADDRESS


CITY, ZONE, STATE


I enclose \$.....


Bill Me Later





For an interlude
rich in all good things, come to *The Greenbrier*

Three top-flight golf courses, Sam Snead, pro 

World-famous sulphur baths 

Color styled and decorated by Dorothy Draper 

200 miles of scenic bridle trails 

Trap shooting 

Dancing to Meyer Davis music, movies 

Special all-inclusive rates from \$19 per day per person in effect until March 14. For hotel reservations, write to The Greenbrier, White Sulphur Springs, West Virginia

*Go right to the gate in a luxurious all-room Pullman.
Just overnight from most eastern and midwest cities.*



Chesapeake and Ohio Railway