

## CHAPTER 10

# SOCIALISM BY DEFAULT

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**W**HEN YOU EXAMINE samples of the anti-socialistic literature which is flooding the country, you realize why socialism, despite its irrationality, is gaining common acceptance. If these booklets and "letters" were designed to aid the collectivistic cause they could not do a better job.

Taken as a whole, this literature can be catalogued as "Swell Country; no change wanted." It is reminiscent of Harding's normalcy, or of Hoover's chicken in every pot, to say nothing of two cars in every garage. The "line" is to blow up economic half-truths flattering to the status quo, with the hope that such evidence will squelch the socialistic indictment of it. This literature is more than futile. It must boomerang, simply because it dodges facts that are as well-known as they are unsavory.

If the run-of-the-mill American is as gullible as this literature assumes, and there is reason to believe that he is, there are nevertheless the lessons of experience which even infantilism cannot dull. Imagine feeding rags-to-riches syrup to the sharecropper who remembers being dispossessed onto the highway, or to his children who learned to hold out the hand of beggary. Then, there's the glorious tale of the penniless immigrant who rose to affluence; what can be the effect of this pap on the fellow who lived by the grace of the W. P. A. when bank bankruptcy wiped out his lifetime savings? What goes on in the mind of the mechanic who, on reading about the "overall picture" of national prosperity, or the tables of comparative wages, recalls the ten years of wage-less nightmare, until the war brought hypodermic relief? Even now, dulling the enjoyment of his inflationary comfort is the spectre of impending depression.

All this experience the anti-socialistic literature passes over lightly with figures, carried out to three percentage points. The inference is plain that the "poor ye have always"—and nothing can be done about it. It's fine solace to be labeled an "unemployable" or to be put among the "surplus population."

But somehow the lowliest of the species resents being a statistic. He flatters himself that he is a man. Whatever his intellectual deficiencies, his sense perceptions are keen; recorded in the memory of his belly is data the economists cannot get to. And that memory tells him that there is a lie somewhere in the pollyannish picture of America being presented to him.

### *The Unanswered Why*

Sure, there are more opportunities for self-betterment in this country than in other countries. Telling him about it is

merely rubbing in the fact that maybe he hasn't got what it takes, and that isn't soothing. He knows there will always be a Babe Ruth, a champion. Well, all he asks of life is a steady job as bat-boy in the bush leagues, and he hasn't found even that modest ideal always attainable. Why? If this is such a great country—*why?* Observation tells him that many of those who rise above the ruck do so by other means than industry and thrift. There's the rag-picker made into a merchant by the black market; the town ne'er-do-well who attached himself to a political mogul and became a cigar-smoking contractor; the arrogant and opulent union leader who was the most inefficient worker in the shop; the newsboy who somehow got licenses for the best spots in town and now mingles with the "best people." And how about the fellows who finance these "God Bless America" pamphlets? What's their racket?

Sure, the "average" wage in this country is a princely income compared to that of the Chinese coolie. What of it? The "average" American worker—whatever that is—produces more; well, if he produces more he is entitled to more, and why give credit to a "system" for the labor he puts out? According to the figures in this anti-socialistic literature he absorbs in wages about all he produces, and yet his eyes tell him that there are a lot of fellows who produce nothing, or very little, and they seem to get along quite well. Who produces what they have? He's envious, to be sure, but he's also sensitive to a wrong he cannot locate.

The socialists locate it for him. He never will understand their many-worded fable about surplus-value and the class-struggle and the glories of controlled economy. No matter. These fellows at least come clean; they admit the poverty-amidst-plenty incongruity, and in so doing they gain the confidence of the mass-man. Having gained his confidence,

they find it easy to "teach" him the mysteries of their solution. Their shibboleths are plausible; they "explain" and they promise. He accepts their leadership.

The let-well-enough school, on the other hand, loses his confidence right from the start by denying the obvious. Their encomiums of the going order are suspect. Their arguments don't ring true, and their figures add up to a sum that doesn't square with experience. Hence, the lavishly sponsored literature of the anti-socialist camp, if it is read at all, meets with a contemptuous "so what?"

### *Leaders Who Lead Nowhere*

It is not, however, the inadequacy of the literature that spells the doom of private property, but the inadequacy of the would-be anti-socialistic leadership behind it. It is inane, stupid, ignorant and, above all, lacking in integrity. With such leadership the case for private property is lost.

Let us admit that in the shaping of social and political trends the mass-man is a passive factor. He serves only as a battering ram in the hands of the leaders he attaches himself to. Since that is the limit of his capacity, his inclination is to stick to the job of keeping himself and his race alive; if he ventures beyond that sphere, as in voting, it is for the exhilaration his otherwise drab life demands. Such opinions as he entertains, or can entertain, he acquires in pre-digested and packaged form. He must have leaders to think for him. Yet, because of the vanity which always accompanies mediocrity, the leadership he accepts must flatter his importance, must cater to his ego. Nor can this leadership be effective if it lies to him about what he knows, however it may lie to him about what he does not know.

This fact the socialistic tacticians have been wise enough to recognize. From Marx and Engels to Attlee and Wallace,

due homage was always given to the "will of the people," although the shaping and direction of that will has ever been the private prerogative of the intelligentsia, the leadership. They won the mass-man by appealing to the intelligence they knew he did not have; in the name of education they filled him with phrases which served him well enough for understanding. But—and this is of utmost importance—he became a willing "student" because they told him what he knew only too well: that the world as is is NOT the best of all possible worlds.

Socialism has come a long way, then, because of competent leadership. The proponents of private property, on the other hand, have fought a losing game simply because of their ineptitude. The logic of economics is entirely on their side: it is only through private property that society can achieve abundance. Morality is also on their side: if a man is denied exclusive possession and enjoyment of that which he produces he is denied the right to life, and is in effect reduced to something less than a man. With these two arguments in its arsenal, private property should never have been put on the defensive. The collectivistic psychopaths should never have gained ascendancy with the mass-man.

But, the cause of private property has been championed by men who had no interest in it; their main concern has always been with the institution of privilege which has grown up alongside private property. They start by defining private property as anything that can be got by law; hence, they put their cunning to the control of the law-making machinery, so that the emerging laws enable them to profit at the expense of producers. They talk about the benefits of competition and work toward monopolistic practices. They extol individual initiative and support legal limitations on individuals who might challenge their ascendancy. In short,

they are for the State, the enemy of private property, because they profit by its schemes. Their only objection to the State is its inclination to invade their privileged position or to extend privileges to other groups.

### *The Unassailed Citadels*

It is what this literature does *not* advocate that stamps it for what it is. A few examples will suffice.

The current slogan of this effort to forestall Socialism is "free enterprise." Now, enterprise consists of nothing else, in the economic field, than the production and exchange of goods and services, by individuals acting in their own interests, and it is free only when the process is rid of legal interventions. The ultimate object is to provide an abundance of the things men want, to flood the marketplace. That means low prices, or prices determined by the equation of supply and demand without restrictions on supply. If that is what the "free enterprisers" were really for, they would concentrate on the rescinding of laws making for scarcities—and they would inform the mass-man that the cause for his lack (admitting first that there is an unwarranted lack) are these laws and the practices that have grown up under them.

First of all, they would direct attention to the scarcities resulting from tariffs, quotas, the manipulation of money, fictitious quarantine laws and other devices for preventing foreign goods from reaching our market. You see nothing about that in their literature. The inference is that free trade is not included in their concept of free enterprise. Why? Is it because of a concern for the higher prices which this limitation on competition affords them?

Taxation is a major interference with enterprise, simply because what is taken by the State is production which was intended for the market. Taxes on commodities are added

to price and therefore decrease the purchasing power of wages; taxes on incomes and inheritances discourage production. These facts are rarely mentioned in any of the "free enterprise" literature; when it does touch on taxation the comment is limited to "equitable" distribution, which, on examination, simmers down to the shifting of the burden from one class of citizens to another. The reason is clear. You cannot expect the holders of government bonds to attack the income tax (which is the necessary precursor of State capitalism), because the prime security behind these bonds is the power of the State to levy on incomes. Nor can you expect liquor interests to oppose liquor taxes because if these were abolished every farmer could open a distillery.

You read in this "free enterprise" literature about government extravagances. But, what about particulars? Subsidies to railroads, airplane and shipping companies (via the post office) are clearly extravagances, supporting and encouraging inefficiency; but, the values of the stocks and bonds issued by these companies are enhanced thereby and hence the subject is taboo; subsidies which cannot be capitalized, like handouts to veterans and unemployed, can be attacked. Parity prices provide a cushion for the commodity market, and also hold up the value of agricultural land; the "free enterprisers" avoid the subject. Militarism is undoubtedly the greatest waste of all, besides being the greatest threat to freedom of the individual, and yet it is rather condoned than opposed by those whose hearts bleed for freedom, according to their literature.

One could go on paragraph after paragraph with instances of State interferences with enterprise which the "free enterprise" bilge skirts around or ignores. One is driven to the conclusion that the sponsors are not at all in favor of what they preach. They are rather for the status quo, for the legal

setup by which they can continue to “enterprise” themselves into favored position. They are for privilege, as is, and not for the sanctity of private property.

Is it any wonder that the only following this kind of leadership can muster is what it can buy? Is it any wonder that the socialists have the mass-field to themselves?