

GEORGE L. RECORD
An Introduction by Amos Pinchot

GEORGE L. RECORD was one of the most extraordinary men this country has known. No one seemed to me even remotely to resemble him. He was an idealist. But what made Record's idealism so unusual, and what put him in a place where, to my mind at least, he stood alone, was that, while he thought constantly and loftily in terms of a greater and happier society, he brought to his thinking an intensely shrewd, and to me, thrilling realism.

Other Americans I have known have written and spoken interestingly about democracy. They have described its decline, which has taken place during the crucial period in which concentration of wealth and power—largely the result of privilege, i. e. special and unfair advantage, enjoyed by individuals or minority groups—has played havoc with the institutions we used to imagine to be fairly foolproof. A good many people have told the story of the degradation of democratic and economic practice in the last quarter of the nineteenth and the first of the twentieth centuries. But I think Record, because he brought to his thinking facts which came to his attention in his business and legal career, had a better grasp of the American problem, and a comprehensive vision that was almost startling in its directness and simplicity.

Record never published a book. He was too busy to write much. He was always observing and checking one experience against another. He worked hard at his law practise, and yet was always in politics. But he used politics chiefly as a vehicle for publishing the conclusions he derived from his contact with life. He was enormously interested in the game of changing peoples' opinions as a preliminary step to improvement in our political and economic organization. He regarded political campaigns as the best means of popular education.

As I remember, it was in Colonel Theodore Roosevelt's rooms in the old Congress Hotel at Chicago, that I first saw Record. That was in the summer of 1912, when Theodore Roosevelt was trying for the Republican nomination and, what was more important, attempting to arouse throughout the country a desire actually to cash in on the magnificent possibilities offered by our immense natural wealth and industrial development. Record then impressed me as having one of the most powerful and practical minds I had ever known.

In the long friendship that followed the debacle of the Progressive Party, a debacle that in no wise checked Record's efforts to carry on the work that Roosevelt somewhat bunglingly began, I had an opportunity to understand both his motives and the processes of his mind. Record never imagined that he would live to see the ideas he believed in become integral parts of American political and economic life. He was keenly, indeed tragically, aware that the "big job," as he called it, of bringing about an unprivileged

society, where reward would be commensurate with the character of effort, and where the scale of living would correspond in a general way with the country's power to produce wealth, would not be finished, and perhaps not even be well underway in his time. But he did believe that his thinking and action would hasten, to some extent at least, the coming of a better order of things. And here I think that events will prove that he was right.

Record believed there were no easy paths to progress. He believed we would not get ahead very far until "tough-minded" people, as he called them, or at least a number of them large enough to form an effective group, had assumed the task of studying the nature of privilege and monopoly, and of framing a program of constructive action in consonance with their conclusions. He believed that most of our problems could be solved, and would finally be solved only by a realistic approach to economics, such as the scientist insists on in his work, say, in physics or chemistry. He took no stock in haphazard programs, hastily devised to catch votes.

The only part of Record's thesis which was, in the main, worked out by anyone but himself, was the land question, where he closely followed Henry George. A part of his program might have been taken from Henry D. Lloyd's *Wealth and Commonwealth*. But I don't think he laid much stress on Lloyd's book, important as it seemed to me.

Leaving out the land question, which was always at the bottom of Record's teaching, his social philosophy resembled, in a sense, that of the late William G. Sum-

ner of Yale. Like Sumner, he based his thinking on the principle, not of equality, but of the equal chance. From this Jeffersonian philosophy, and out of his own experience as a factory hand in Maine, a stenographer and law student in the office of John Cadwalader in New York, and, finally, out of his own long experience as one of New Jersey's ablest and most successful lawyers, he fashioned his analysis of American life and his political program.

Record was a confirmed individualist—the most intellectually satisfying I have ever known. Yet his individualism, and here he differed radically from Sumner, never accepted the laissez-faire doctrine. He believed that the government should intervene in order to assure equal opportunity. He believed that this country would eventually have to make large but clearly limited concessions to state socialism. But these concessions are devised, first, in order to escape socialism itself, in which he had no faith; and second, as a means of preserving, or rather restoring, free competitive industrial conditions in the large fields of industry, where he was convinced the government should never enter.

Briefly sketched, Record's program is as follows:

The true function of government in relation to economic life is a constructive, not a restrictive one. It is to provide and protect an economic order in which invention, organization, mass production, modern methods of farming and all technical advance, will be used fully and without limitation for the creation of wealth and a steadily rising standard of living. No restrictive philosophy or program will justify itself in the

long run. None can or should satisfy us unless its plain purpose is to assure to the consumer, to labor and to capital, the full benefit of every advance in the methods of production and distribution, in short, of the machine age. When the government intervenes, it should be only to assure the free use of capital, the full volume of production, the free flow of necessities and luxuries to the public, and above all, the maximum employment of labor at a wage of increasing purchasing power. No plan, such as that of the New Deal, that fosters monopoly, reduces production and diminishes the consumption of goods, should be tolerable to intelligent men.

Record believed that the wants of the public and its consuming power, and the demand for labor, are literally limitless. But they are limitless only provided the restrictive principle of monopoly is abolished, and thereby prevented from raising prices and cutting down the consumers' power to buy and use. His observation through his long experience with business, big and small, convinced him that, if society were ordered with moderate intelligence, and the blight of monopoly removed, there would be no such thing as overproduction, or idle capital, or a labor surplus.

Record understood, perhaps more clearly than any other man of his time, the technique by which a strong business group in an industry drives out the equal chance and builds up the restrictive monopoly power. He saw and explained with extraordinary clarity the process by which the monopoly groups destroy competition, hike prices, reduce employment and wages, and thereby exhaust the purchasing power of the con-

sumer, finally causing that industrial stagnation which periodically reaches its climax in depressions. He saw also—and here again he made a valuable contribution—that in every great industrial field where the monopoly principle is at work, the dominant monopoly group gains its power to kill competition and fix prices, never through efficiency, for monopoly is proverbially inefficient, and never through mere size (here he differed with Justice Louis D. Brandeis), but always by its possession or control of some essential industrial advantage, illegal or otherwise, which producers outside of the dominant group do not possess.

Record distrusted socialism. He believed its philosophy to be basically unsound, its practice unworkable. He saw, as its chief and fatal weakness, the difficulty, indeed impossibility, of obtaining government administrators with sufficient knowledge, experience, and honesty to conduct or regulate the vast field of production and distribution. He also distrusted the New Deal and saw in it a disguised socialism that would fail as surely as socialism itself would fail. He believed that the government would fumble miserably the moment it tried to shelve the law of supply and demand and decree prices and wage scales.

On the other hand, his experience and his constant examination of the reports of congressional investigations told him that, under the so-called but false individualism of big business, the chief disadvantages of socialism actually are present. For industry, as conducted by the Morgan, Rockefeller and Mellon groups, has done precisely what socialism would do. It has destroyed competition and private initiative. It has

fixed prices. It has done these things, not as the socialists would—in the interest of the community—but for the benefit of a comparatively small number of people.

Record carried his philosophy of freeing opportunity into the land question, indeed into all political questions. He believed that people wanted land and that they would go onto the millions of acres of fertile land that lie idle if they had an opportunity and if the government would give them assistance and instruction in making their living, as the Danish government has done. He did not concede that people would rather live in city slums than on farms. He considered the problem one of education and intelligent administration. He believed that the power of taxation should be invoked to make idle land available for anyone who would use it.

Record conducted three campaigns for the United States senatorship. He wanted power but he used his campaigns as a means of publishing his program and making people think realistically. He had confidence in his program because it grew out of his own contact with life. I campaigned with Record in two of his senatorial campaigns. His speeches were the ablest, most brilliantly argued political addresses I have listened to. I have heard many of the foremost political speakers of our time—Wilson, Brandeis, Borah, La Follette and lesser men. Not one of them, I think, could match Record in forceful, clear exposition of a subject. His native common sense, his honesty and utter fearlessness, his picturesque idiomatic expression and command of facts, placed him, so far as my knowl-

edge of political arguments extends, in a class by himself.

As a footnote to recent history, it may be cited that, while Record admired Franklin D. Roosevelt, and believed in his good intentions, he had little faith in his economic views. He altogether disbelieved in his program of regimentation, that is now summed up in the words "managed economy." Shortly before his death, in the summer of 1933, I wrote him:

"The political situation seems to me a perfect mess. I don't see how Roosevelt can put the NRA drive through, and I don't think he's going to. I think he will fall back on reflation as the last shot in his locker. I mean reflation by reducing the gold content of the dollar. How do you feel about this?"

Two days later, he replied:

"The Roosevelt experiment is pure socialism and will sink beneath a million details. The danger is that his scheme diverts attention from the big trusts and the Sherman law."

"Not only will the big trusts be stronger, but the larger manufacturers will endeavor to form a combination to squeeze out the little fellow. If they succeed, there will be another force besides the railroads, utilities and the trusts organized to control the government."

On only one important point did I find myself in much disagreement with Record. I thought he gave too little consideration to "money" as a cause of the economic breakdown of 1929. Record did not deny the part that inflation of credit and the encouragement

of investment in unsound enterprise played in setting the stage for the depression. He used to say: "We have got to learn more about this money question. We are not up to date." He kept urging me to tackle it. He did not believe that Roosevelt would effectively come to grips with it. Record regarded Roosevelt as a man who allowed himself to be too much influenced by "herds of advisors," and who had the failing of never getting off by himself and digging into a question. After visiting him at Albany, a little while before Roosevelt went to the White House, he said to me that it seemed to him that no man could do justice to any subject while so constantly surrounded by people of divergent views, each bent on getting him to adopt some pet and particular plan. He believed that Roosevelt would finally succumb to the regimentalists, and that government regulation of private industry would be the undoing of the Democratic administration. He once described Roosevelt to me as "a sort of distracted saint," who could never make good until he fired nine-tenths of his advisors and worked things out on his own hook.

Record made few compromises, yet he could compromise when he believed it would not invalidate his principles or endanger his main purpose. Politically shrewd, taking advantage of any movement that was going his way, he never promised quick results and believed that no short cuts can be found to true reform. He was always for the big play or nothing. I have good reason to believe that at various times during the last twenty years he could have gone to the United States Senate if he had been willing privately to signify

an intention to take a "suave" course. In a sense, he belonged to the golden age of American politics, which formed its tradition in the first decades of the republic, to the time when men cared passionately for ideas and believed in their power and practical bearing upon a nation's life. He knew something about the lives of poor people. He had been poor himself. Both his hands had been broken and disfigured in a factory. He was very tolerant, impatient only with loose, muddy thinking and statement. His own mind worked with extraordinary power and precision. He liked to reduce to writing any proposal brought to him. He liked to put it in words so exactly chosen as to include the desired implications and no others. He used to say, "let's get it down on paper; let's get it tight as if we were drawing a bill." He was resourceful and always humorous. No one in the room could listen to anyone else while Record talked. He was unselfish. He had an unflagging desire to do good. He was one of the few men I ever knew who spent his life saying and doing precisely what he believed in. He was a devoted friend, and I think the only really great man I have known.

In 1931, Lincoln Steffens wrote a letter about Record to James Kerney who had just finished a book, "The Political Education of Woodrow Wilson," which told how Record had made a liberal of Wilson and drafted for him the program that gained him the attention of the country and put him on the road to the presidency.

Steffens wrote:

"But the idea you left me biggest with is "The Record of George L. Record." As I learned from

you the part this amazing man played in the education of Mr. Wilson, I recalled his efforts to show me and Mark Fagan and Everett Colby, and all that crowd and others, many others, what they were up against, really, and what to do about it. He must have played a part in the lives and education of more men than anybody except perhaps his opposite, Alexander Hamilton. He has been the Thomas Jefferson of our day. His story should be told. It should not be left scattered and buried here and there in other men's lives. He should come out himself in the open, as a person, as a character, as a statesman. Indeed, his letters, etc., might in his case be the best part of a book about Record. For, you see, what he has said to the various leaders is what we all want to have said to the people, all of them . . . The man himself will appear in his writings, but the editor will have to tell enough of the history, circumstances and characteristics back of the letters, to bring out the sweetness, patience and tact of one of the most courageous, continuous and unselfish leaders that democracy has ever had. And I mean "ever" in all history. Anyhow, it's your bully book on Wilson that advertises the need of a book, a big book, on George L. Record to me. Do think it over."