

# Hitler's Dollar and Ours

By MORRIS FORKOSCH

Adolf Hitler, who has long since sounded the death knell of private property, individual initiative, freedom to live and worship and speak, has now declared a war of labor versus gold. Germany has no gold, he says, but an unlimited capacity for work and that is the capital with which she will conquer the world. The democracies, he exults, have built upon the dollar and this weak foundation will crumble. One week after Hitler spoke came the argument of President Roosevelt that we rid ourselves of the dollar sign in our relations with Britain and supply not money, but guns, planes, ships, and shells, for the sinews of war are not gold and money in the bank but engines and tanks and battleships.

What is this "new" creation of Hitler, the work dollar? What did President Roosevelt mean? Of what concern is this distinction between gold and labor?

A free economy requires that choices be permitted the widest possible range without compulsion. Thus I should be free to work or not; to choose my line of endeavor and stand or fall by it; to sell and purchase as I desire; to manufacture as I please; and otherwise to conduct myself in society as I may. Obviously my efforts are "directed" by other's "choices," just as my own choices direct other's efforts. I won't manufacture bloomers when the demand is for panties; neither will I take button shoes when I want oxfords.

But the point is that I am free to decide and to act upon such decision. The question then would be how to effectuate my considered wish. For example, I know I want a house built along certain lines but the winter precludes doing much now. But I want to exchange what I have or make, overcoats for winter use, for the house in the spring. How accomplish it? If I trust one or more men till spring, presto, it is done. Or, better still,

if I let a third party take my overcoats and then, when I want to build, give me a house, is this not satisfactory? And that is what I do—I let the United States, the third party, have my overcoats for its promise to build me a house when I want it. Its promise is

printed on paper which we call money and, before devaluation, was backed by gold and silver bullion.

In a "free" economy, as envisioned by every economist from Smith to and beyond George, money was the stuff of which choices were made. It was a "money economy," as some put it, in which dollars proved the media through which freedom of choice expressed itself. Even in the field of the cinema the screen's most outstanding stars are judged, not by guesswork, but "upon returns from the most responsive and reliable voting machines available—the box-offices of the land. True, the patrons here register their individual preferences unconsciously, seldom aware that they are making a fundamental choice. But the industry follows closely the trends of mass response . . ." (Bosley Crowther in *The New York Times Magazine* of February 16, 1941.)

Back in the 1830's we found "labor-exchange banks" set up which took all a man produced and returned to him an amount of goods equal in labor to that expended by him. Owenism and Fourierism flourished in England and America for a while until the inevitable happened—people produced what others didn't want and the "bank" was forfeited with unwanted labor—that is, labor expressed in terms of manufactured goods. The laborers who contributed their efforts had no market to guide them, to tell them what to produce or not to produce.

Without a dictator, both in fact and in theory, labor exchange could not continue. Without an absolute ruler a work dollar could not succeed. Without a Hitler, in other words, the experiment must be doomed.

In Germany there is a Hitler and so Germany's regimented economy, regimented factories, regimented marks, yes, even regimented people, enable this gigantic labor exchange to continue. But within its borders there is nothing of happiness or laughter. And without its borders it cannot exchange—save by barter. But who wants harmonicas for wheat? Up to a certain limit, of

course, but beyond that? And who can ordinarily use more than one radio when shoes are worn thin? And, if Hitler wants food his neighbors must produce food or else—!

And so, to produce food in the quantities required they too must regiment their economy, their people, their lives. Insidiously this disease spreads, unknown but soon felt. While an economic vassal state may be politically "free," it is still dependent for its governmental existence upon the stronger. All this because of labor exchange plus the necessary dictatorship to make it work.

Here at home we can see the self-same theory, if not practice, permeating the government. Re-armament is a necessity; so too is the temporary dislocation of our economy because of defense needs. But how far does it go? The growing power of the government (as exemplified by the recent Supreme Court decision in the *New River* case) enables it to regiment life, liberty, and property (as in England) even though we are not physically at war.

The Defense Commission, through its priorities control, puts labor and capital in the "work dollar" classification, for defense orders must come first; the breakdown in the plan to superimpose a war economy onto our regular peaceful one has led to a board to purchase, assign priorities and "must" orders, and regiment all classes if necessary. Time is short, munitions are needed now, and all else must give way. The dollar therefore falls into the limbo of outmoded economic terms and work, goods, wealth expressed in

materiel, etc. come to the fore. It is not a war of gold versus labor for which we are girding ourselves, but of labor and goods versus labor and goods—America's presently unknown capacity to produce armaments against Germany's production. In such a war the advantage, no other things entering, is all with this nation. If England holds out long enough Hitler is doomed.

But what of America? And what of our free economy? A post-war world of barter and direct labor-exchange is the negation of everything essential to a free and full life. It is the feudal system of the centuries before the Industrial Revolution, when man grubbed a bare subsistence from the earth. A world of tariffs and other impediments to the international flow of commerce offers no hope to mankind. If Hitler's "work dollar" wins, even though his military and ersatz economy loses, will not the repercussions force labor to accept the "status" of a serf? Will not man be forced into the mold of a slave? Will not Hitler have really won his alleged war against capitalism?

If man is the be-all and end-all of things then the post-war period of reconstruction must not fall into error and adopt Hitler's work dollar as its criterion. Sticky and rigid prices can be ameliorated; monopolies can be attacked; adjustments can be made where an economy of flexibility is had. But where absolutes repel such efforts then man is but a cog in a wheel of iron spokes. Long-range thinking and planning should determine us to resist Hitler in peace, as in war. We cannot do that by abolishing money.

When Caesar ruled there was no freedom, and no security save that

of slavery. When darkness fell during the Middle Ages men reverted to serfdom. The Feudal Period saw a light breaking through, a ray of hope that man could emancipate himself by taking unto himself the fruits of his labor through exchange. But this exchange must not be controlled or throttled. The mark of a free exchange was a token representing one thing to all people: i. e.,

money. And here we find the greatest single invention of our industrial era. It is true that money has existed in all places explored by anthropologists, but an international currency came into being only with the Law Merchant of the recent centuries.

Civilization as we know it today is a creature of many forces, political, economic, moral. Among its greatest blessings is that of freedom in its several aspects. To Henry George the economic freedom was a functioning interplay of many desires in the market, oiled by a fluid called money. Take away this lubricant and the bearings freeze, as they did in the era we left behind. Abolish money as we know it and substitute a "work" dollar, and civilization as we know it and live it perishes.