

· R E V I E W S ·

Ancient Blunders and Modern Politicians

De Platon à la Terreur. By Jacques Lacour-Gayet and Robert Lacour-Gayet. Paris: Spid, 1948, 268 pp., 300 fr.

When a severe depression of trade seemed inevitable after the crash in 1929, one would have thought a wise man might turn back the pages of history in an attempt to learn what had been done in times past to soften the blow. Ever since political government was instituted, financial and industrial crises and depressions have crippled States, and very often reduced them to penury and deplorable disorder. Our country had not escaped periods of hard times, and our libraries contained many books stating the lessons to be learned from them.

As for Europe, each nation had a long history of severe depressions during peace and war. One has only to read our own literature on the trials of European States to be convinced that every expedient trick resorted to by politicians, with the notion of setting things right, failed disastrously, and finally the people were left to themselves to work their way out of the chaos toward recovery.

The administration in office here when the crash took place acted like children in a panic and sought, hither and thither, forbidden ways to escape from the turmoil. However, it was apparent twelve months later that their efforts had been futile and, as the depression deepened, some people were conscious that prosperity (which we were told was "around the corner") had taken to its heels and disappeared.

There had been warnings enough before the crash overtook us, but none in authority gave heed to them. It is now on record that the famous William Durant, who made and lost several great fortunes, had gone to the President six months before the stock market débâcle and warned him that, if the Federal Reserve Board did not curtail brokerage loans and security credit, a disastrous depression would come.

As financial and commercial affairs went from bad to worse, the administration and Congress became more and more palsied. But an extraordinary thing took place before the election in 1932. The world chart of business began to show an upturn, and this in spite of the expedients tried by governments. However, when a new administration was elected, its party program of retrenchment and reform was sent to limbo. Every

domestic pledge was broken but one—the repeal of Prohibition. Then something quite new in the way of discovering political wizards took place. An intercollegiate search was instituted to find brainy men and women who knew what to do to overcome a depression and, at the same time, make hay for the setting up of a collectivist State. When these young gentlemen were assembled in Washington, and distributed among the various departments of the State, they had already earned for themselves the title of the “Brain Trust.”

Great things were expected of young men who had had a university training, because somehow (never explained), politicians and their subjects have an idea that institutions of learning foster knowledge and wisdom. Alas, no one showed that he or she had any knowledge whatever of what had taken place in depressions, for as each set of laws promulgated by them was put into force, it was discovered to be the wrong thing for the purpose. In fact, the National Recovery Administration had to be abandoned after it had made a chaos of industry. Very soon bribes, doles, and restrictive laws were the order of the day, and the most surprising thing about all these brainy efforts was that the professors did not know that they had been tried over and over again for thousands of years and had not succeeded in bringing order out of a financial and industrial crisis.

Since then, the wretched taxpayer has had to submit to an orgy of spendthrift politicians, and even after a war that wiped out unemployment, we find ourselves now face to face with the same dilemmas that haunted shrewd men before the crash of 1929. This time, perhaps, the brainy people of our universities will not be called upon to make things worse than they are. Instead, it would be a good idea for every member of Congress and the Cabinet, too, to read a little volume that has just come from France. It is called “*De Platon à la Terreur*” (“From Plato to the French Revolution”), and was written by Jacques Lacour-Gayet and Robert Lacour-Gayet. The former is a member of the Institute, and the latter is now teaching at St. John’s University, Brooklyn. It is to be hoped that this work will be translated, published, and widely circulated among our politicians and professors. Meantime, classes might be held in Washington and a reader could translate its contents to our Solons and our Machiavellis. For the work is unique, in this respect: it shows clearly, from the days of Plato to the end of the French Revolution, that every dodge that was tried by our administrations from 1931 to this day, in an attempt to solve the mighty problems of a depression, has been tried over and over again without success.

The authors begin with the conditions in Greece, and very soon we are startled with passages that might have been written any day recently about our own condition. Sometimes the likeness is so clear that it seems farcical that we should be repeating the blunders that were made 2500 years ago. The gold question is here, all the fiscal problems we face, restrictions, curbs, price-fixing, graft, and the burdens of a parasitical bureaucracy—all are dealt with. Regimentation was the order of the day then, as it has been here during the past fifteen years. The cost of living in relation to wages makes us wonder how old this trick is for fooling the producers and consumers.

After classical times, the authors take us to the medieval period, and before we have proceeded far in these chapters, we learn that the politicians in their crises committed absolutely the same blunders that had been made in Greece. Works written toward the end of the sixteenth century deal with the problems with which we are now confronted. We find information upon the high cost of living and nominal wage, the extreme dearness of things at that time. One author of that day wrote a treatise upon gold and silver; another upon the money chaos.

It seems like a political tradition to do that which ought not to be done. But the revelations of the stupidities of politicians and financial magnates reaches the climax when we are introduced to the astounding imbecilities of those concerned in the French Revolution. They not only did everything that had failed in the days before them, but they perpetrated the blunders with a tenacity and ruthlessness so palpable in their operations that they were driven from day to day to change and unchange their procedures.

The birth throes of the slogan, "Liberty, Equality, and Fraternity," took place in a chaos far beyond the conception of a Dante. It was an Inferno of madmen. And here, in the days of the terror, we find a vivid picture of what we went through for twelve years before the end of the war. There was a comedy presented at that time (1796), which has in it a skit upon the black market of that day. It tells us: if soap was wanted, one should apply to the seller of lemonade; if hats were required, the grocer would supply them; and the apothecary was the man to go to if you wished to buy slippers. Indeed, such necessary requirements as salt, cotton, handkerchiefs, bread, sugar, candles, etc. were to be found under the counters of merchants whose regular business it was to sell other commodities.

This little book, which so clearly reveals the past blunders of politicians

who attempted to bring a semblance of order out of a financial and industrial depression, is the one work that might enlighten our distressed leaders of thought today, if they read it with understanding.

New York

F. N.

Economics Simplified. By E. E. Bowen. Revised edition, edited by George L. Rusby. New York: Robert Schalkenbach Foundation, 1949, 234 pp., index, \$1.

The economic confusion that engulfs the world today makes this book most timely. "We have made wonderful strides in the mechanical arts and sciences," the author points out, "but in the science of economics we have barely begun to creep." A knowledge of the basic principles of economics and a thorough familiarity with the natural laws of which the science treats, are necessary to useful citizenship, and these are explained to the reader in simple terms.

Can we stabilize our economy, increase our production and insure an equitable distribution of wealth under the free enterprise system? The author's answer is emphatically that we can if the free enterprise system is made truly free. "An economic system is possible that not only would not curtail the liberty of the individual but that would increase his liberty far beyond anything he now has. At the same time, it would make undeserved poverty, low wages and unemployment impossible."

In this book a signal contribution is made to the discussion of government functions. Ideal government is that which conforms to what Thomas Jefferson demanded when he said, "Restrain men from injuring each other, but leave them otherwise free to follow their own pursuits of industry and employment." Summarizing the main thesis of the book, Dr. Bowen contends that "if the government properly performed its two simple functions, a condition would not arise in society which seemed to call for the activities of government in the many fields which are really none of its concern."

V. G. PETERSON

European Ideologies. Edited by Feliks Gross. With an introduction by Robert M. MacIver. New York: Philosophical Library, 1948, 1,075 pp., \$12.

This work is a survey of the economic, social and political ideas of important social movements in Europe that have had an influence throughout