Radio:

The decree against the Radio Corporation which seems to me on the whole to have been as advanced as much as we could expect in negotiations has undoubtedly been a hard blow to Young. I saw him last night on the platform at the Finley Medal Meeting - looked worn. The case shows pretty clearly the position that the Government is in today. It is really between the devil and the deep sea, individualism and socialism.

We have a school to whom democracy means individualism - every man his own business director, export, walking where he will, but democracy is the greatest of collective office. You must co-operate in a democracy and you to operate to get the greatest good for the greatest number. And can you get the greatest good for the greatest number by this extreme definition of individualism? Isn't the solution in a collective action to which the individual submits, but in doing that preserve the protected in his ambitions, personality, etc. That definition of democracy as an organization of society to protect the individual is something of that kind. Now to protect this individual and to get the most of them, as far as I can see, we have got to have an increasing organization of essential tools like those that are necessary in transportation and communication particularly.
(See Young's talk before Senate Company on the amalgamation of communications. He is warning that if it was not done under the Government it would be done by private Government which given enough of it means eventually socialism. That is what the gentlemen in Washington are afraid of, and the problem of the wise is to preserve and protect both - the man and the society.

The more we know about this thing the more I think we will see what Young is aiming at. It is not for aggregations for aggregations fail - not monopoly - it is that ordered planning that the cry is for today. The difficult in this radio business has been the development more rapid than it could be digested - the rush of all classes to get in on it. I do not understand the financial set-up or its management financially, but that it has been bad I do believe. Moreover, the fact that the concern was constantly operating in danger of the tax, that brains which ought to be given to finance were given to protecting their rights under the government, meeting the government's criticism and not getting I take it any very great from the government. Though that I do not know, it being a prosecuting rather than a correcting body.

See interview with Ellwood and Aylesworth, their evident bewilderment under its tax, their despair that they could not get down to what to them was business.
I take it that a good deal of the confusion in
the Radio Corporation has come to that, that the financial
set-up obviously is bad, abused. Now how far is Young
responsible for that?

In the first place he seems to have been responsible
for A. and for E. They were not big enough men for their
responsibility. A. particularly seems to have lost his head
by the authority, the position in which he found himself. It
is something like Charlie Schwab's case when he first came to
New York I take it. But the question is whether A. has got
the character and the brains to pull himself out like S. did.

Very interesting study which should be followed to
get the entire make-up of the Corporation - the Radio Corporation -
the financial end and in operation. It is a question whether
you can start anything as big as that that was started. It comes
back always to growth. The General Electric wasn't started over-
night - nor Westinghouse - nor the Steel Corporation - nor
the Standard Oil Company. They are growths and back of those
growths should be models to enable men, cooperatively, to begin
new things of great public importance on a larger scale with
sounder methods from the start, not have to feel their way quite
so much. Now how can all this experience be utilized in such
away that the public will get the advantages of whatever develop-
ment is coming on, and not get its disadvantages, breaks that will
prevent the too rapid development that we have had in the Radio
Corporation.

The criticism of Flynn that the wild financial operations of the present are more disastrous than the Standard Oil operations in the '80's - does not stand water in my judgment. For what he has in these later day operations are greed and adventure, running wild in speculation and the public eagerly backing them up in order to get something for nothing. But the Standard Oil operation was an attack on fundamentals - fundamental things in the democratic scheme is the right of way. It was the principle that the Standard Oil attacked and the Standard Oil did it with Phelps, also it refused the right of the government to control it, decide.

It seems to me a much more fundamental thing than these wild stock operations. If anybody who read could know what was going to be spread on since they all had before the stock exchange. High finance has always been a part of the gambling spirit and nothing will correct it but a failure of the people in general to back it up.

Moreover, why say that the evils of one time are worse than the evils of another? An evil is an evil. We have had to fight to get rid of legal slavery and there are those today that say that the form of cheap slavery that we get is much worse than the form of the old legalized slavery. You can leave that pretty safely to the wage slave, himself, as we see him, for his decision. Though I must confess that the
the action that Federation of Labor took yesterday demanding that their support be insured through dull seasons. Seems to me like putting their necks under the nose, cutting themselves off from their share of responsibility in the industrial development. I can't see it. It does make wage slavery much more of a real thing than it has ever been before but it looks as if in this case the old fear of the planter, slave might combine take the whip away from him and use it on his back, might return. Organized labor would confess that they were wage slaves. They have got to be kept through good and bad seasons. No voice only subject and by their power they clutched the whip - power over legislation - they cracked the whip over the back of the master.

I do not think that they see how contradictory to the Republican principle their position is, nor how dangerous to the future.