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Not
THE AMERICAN PLAN

IS IT STILL VALID?

There are not a few people in these troubled days who argue that the Plan under which the people of the United States are operating is worn out, inadequate to carry the load of the Industrial age into which we have come and of which the men who worked out the Plan did not dream.

We have had one hundred and forty three years experience under the Plan, some of it as bitter and discouraging as can come to a people. We have always weathered it; though that is no proof that we shall continue to do so. Has the time come when our American Plan is no longer strong and flexible enough to carry us through the distresses of the day?

Think back to what we were when in March of 1789 we set our machine of government in motion. In numbers we were fewer than four million people, six hundred ninety four thousand two hundred of us being slaves. Now we count ourselves around one hundred twenty three million, all freemen, though there are those who contend that we have as large a proportion of slaves as ever - "wage slaves." In acreage we were only about one fourth as big as the present continental United States.

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In wealth we were too poor to pay the soldiers who had fought the war that had set us on the road to independence and now we boast of being the richest nation in the world.

If in 1789 our aim had been numbers, size, riches, then whatever our troubles we can say confidently that we have achieved one of the most brilliant successes in the history of nations. But as a fact none of these things found their way into the set of reasons we gave for founding what we called a "more perfect union." What we professed as the aims of our Plan was in the Preamble. We wanted "to establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare and secure the blessings of liberty to ourselves and our posterity." Not a word, you see, about dollars, numbers, size.

We aimed at one thing and have achieved another and there are times when it looks as if what we have secured is in the way of destroying for everybody what we set out to get.

If I read our story right, however, we have not abandoned our early aims, but rather have come to believe that they can be achieved by what we call prosperity. Give everybody money enough to gratify all his material desires and we shall have justice, tranquility, general welfare. And yet in spite of the vast increase in our wealth and in spite of its vastly wider distribution we have a more than proportional

growth in crime, poverty, discontent and perhaps most serious of all, apathy, an almost universal tendency to say, "What's the use? We've undertaken something too big for us."

What is the matter with us? Is our American Plan a failure?

When is a Plan a failure? I think we may say it is so when the people who live under it lose faith in it. Now as I see it sober-minded people, and the mass of us may be so described, do not lose faith in an undertaking because it does not do quickly and perfectly what they seek - mankind is amazingly patient, amazingly willing to let things grow - but they do lose faith when they begin to believe that the Plan under which they are working has weaknesses which cannot be corrected.

Have we reached that point in these United States? Are our evils too rooted in human nature, to be handled by our scheme of operation. I hear it said that our scheme was created by men who knew less than we do of the follies and the weakness and the meanness of men and so were unfit to make a government competent to cope with them. I do not think so. Reading the notes which James Madison made daily during the long four months that the framers of our Plan sat in Philadelphia in the summer of 1787, I get the idea that there was not much those gentlemen did not know about the

weakness and the wrongness of people who unite to run a government. On almost every page you find warnings about the evils they must take care of - guard against - and in essence they are the same kind of evils that torment us today. That is there were people in Colonial days, even as in these days, who bought and sold votes, bribed officials, speculated madly, traded in human beings, drank red hot rum, refused to pay their taxes, revolted when things did not suit them. All of this the makers of the Plan knew and acknowledged. Nothing more realistic than their frankness.

We must not forget either that the gentlemen who made our Plan were themselves thoroughly experienced both in the making and the running of popular governments. Most of them had been on the Colonial firing line for many years, that is, they were not like so many of those who are trying to create plans for us today, skilled only in the making of blue prints and diagrams. They planned for men as they are. Plans today are made too often for men as the planmakers think they ought to be.

I fancy there was very little about handling men in popular undertakings that George Washington did not know and he was the chairman of the Convention which worked out the Plan. If Benjamin Franklin who was the "grand old man" of the framers had a profounder faith in the people's capacity to rule themselves than some of his colleagues he

certainly was a man who did not deceive himself about human beings.

Pick almost any name in the list of the fifty five who sat in the body and you run into experience in politics. There was John Randolph of South Carolina. He had been the Colony's governor - had represented it in various Colonial Congresses - knew how to deal with his constituents - what they thought - wanted - would consent to - would refuse. He knew it from twenty five years working with them while they fought for representation, rights, freedom.

Roger Sherman of Connecticut had had in the North an equally active political career. These men knew their way about with the people for whom they were working - knew all about the nature of the material they were handling. They were experienced gentlemen, and they knew what they wanted to do; according to Madison it was "to frame a Republican system on such a scale and in such a form as will control all the evils which have been experienced." That is, they were realistic enough to put the evils on the table at the start. They did not deceive themselves about the people they were working for or about themselves. They appreciated in advance the difficulty of men of such widely separated views as theirs holding together. They differed even in their ideas of the function of a government. There were

those who considered it an affair of interest only; there were those who insisted that humanity was concerned in government. They differed on every item of the machinery they were trying to set up.

But differ as widely as they did, frank as they were in speaking their thoughts, they stuck to their task. When the discussion became too heated Franklin was there to remind them that their business was to counsel and not to contend and in the main they heeded him.

Their restraint was helped by the good sense they showed in refusing to hurry. Hurry is the bane of good planning. These gentlemen refused to hurry. They refused to advertise their work, sat behind closed doors, no reporters, and kept their mouths shut until they had finished their work - and how they worked! Madison's notes show that the convention was in session eighty seven days out of the ninety eight working days (No Sunday session) between May 25 when they got under way to September 17 when they signed, and in this period interminable committee work went on.

Solidly constructed as the Plan was it did not pretend to be fool-proof. Its makers knew it was not so they provided tools for its correction - tools "we the people" were expected to use. If we are in a bad way today it is not because we have had no way of correcting weaknesses as they developed; no way of providing against dangers the

framers did not foresee. We have been steadily correcting and changing the Plan from the beginning, adopting amendments - there are now nineteen of them - seeking from our Supreme Court decisions as to what we could and could not do under the Plan, and these decisions are not necessarily final. The Supreme Court recognizes our right to change our mind, recognizes that what seemed wise in one decade, events may prove unwise in another. That is, the Supreme Court if hard to move is not immovable - if idealistic is still realistic. It insists on the validity of the aims which inspired the Plan at the start but when it sees that facts have proved one of its decisions is working against and not for the "blessings of liberty" it can and does reverse itself.

The tearing of slavery out of the country is our classic example of self-correction. Many of the men who signed the Declaration of Independence and who framed the Constitution of the United States, realized that the institution of slavery was a glaring and wicked contradiction of their professed aims, many of them struggled to end at once the brisk trade in slaves then going on believing if that was done the thing would die of itself. When Thomas Jefferson wrote the Declaration of Independence he bitterly denounced the miserable business, but he had to take the paragraph out of the Document - with it in there would have

been few signers, North or South. We usually put the burden of this delition on South Carolina and Georgia. Jefferson did not. "Our Northern Brothers," the people of New England, he explained later, "also felt a little tender under those censures," (his paragraph denouncing the slave trade) "for though their people had very few slaves themselves, yet they had been pretty considerable carriers of them to others." Trade was as sacred to the "signers" as the Protective Tariff is to us.

When it came to making the Constitution Mr. Randolph of South Carolina told his colleagues who were discussing the slave trade, "Religion and humanity have nothing to do with the question. Interest alone is the governing principle with nations. If the Northern states consult their interest, they will not appose the increase of slaves which will increase the commodities of which they will become the carriers."

The Northern states "consulted their interests" and continued to carry the "commodities." It took a war to get slavery out of the country as it may take a revolution to put our tariff back on the sound base of internal revenue only. The self-interest of the few once backed slavery as self-interest of a class now backs the prohibitive Tariffs which are so large an element in our present depressed trade.

When finally we wrote a clause into our Plan forbidding an institution so contrary to our proposed principles and aims, "so dishonorable to the American character", as one of the planners told his colleagues, we were seventy six years old. That is after seventy five years of experience the Plan was strong enough to preserve itself, to prove that however important the principle of self-interest may be in government, humanity, freedom, also have a voice. The Preamble stood.

But the Civil War did not put an end to that group of our citizens who believed with Mr. Randolph that interest alone is the business of governments. It has been the controlling idea in creating our Industrial System - a magnificent achievement to be sure - if material ends alone are considered - so magnificent that Soviet Russia believes that by adopting it as a model and our engineers and managers as teachers of her people she can attain her aim to give every man, woman and child a job and as much food, clothing and education as she thinks good for him. She does not accept our aims. They are too indefinite, too mixed with those ideas of individual freedom, of humanity, and religion which she has repudiated, but she does believe that her strictly material ends can be realized by using what we have developed by allowing men freedom to work out their own ideas. Give her

time and sufficiently determined leadership and she may be able to get out of her industrial machine what she wants. But having made the most of what we have developed will she be able under her system to go on improving the set-up she has taken from us, as we under our system will surely do?

Supposing that she does do it to the satisfaction of her people, would we be satisfied as a people to abandon our aims in order to insure every man a job? I am pretty well convinced we will have to do just that unless we arouse ourselves and correct the evils of our industrial machine which flourish side by side with its advantages - evils which in the minds of dictators like Mussolini in Italy and the proletariat in Russia are proofs of the inadequacy of popular rule. They jeer properly at our boast of an automobile to every six persons as long as we have eight million out of work. They see no glory in a thousand and more yearly incomes of a million dollars and over when there are one hundred million who are living on two thousand dollars or less a year. That isn't what they want for their people. No more is it what we want for ourselves. The problem is, can we correct these evils and at the same time preserve our original aims?

What are the tools for correction on which we have always depended? The first and most treasured is the right to speak our minds. The right may be abridged now and then by our zealous politicians or policemen but not often. I have long had the habit of joining the audiences of soap box orators on the streets of New York. Rarely have I heard wise talk, often I have heard the most absurd misinformation, the wildest exaggeration used in arguments. But I never yet heard a talk that I did not feel satisfaction that a man could get up and say what he had on his mind. Better said than suppressed. Besides, the fact that he is enough concerned about the conditions of life, as he sees it, has an active enough sense of his duty as a citizen to do his part to call men's attention to wrong, stir them to do something, is a healthy thing. He is a much less dangerous citizen whatever he says than the men and women who will not take the trouble to speak or even to consider and vote.

The soap box orator of whatever color should be encouraged and if he talks nonsense, as he often does, there should be citizens enough interested in good thinking to set up a rival soap box beside him and answer him. The crowd would enjoy it and back the better man.

Certainly at the present moment no one should complain that the right of speaking our minds is being

neglected. The distress of the present period has brought out a perfect flood of planning for correction. Dull indeed is the man or woman who does not today carry in his pocket a plan for setting our Industrial System right; very good schemes, too, some of them.

That is, whenever things are going badly the people do use their right to speak.

Everyone who has sat on a National Conference called to investigate and offer suggestions for converting a bad situation, crime, unemployment, industrial unrest, has felt the pressure from hundreds of scattered people each sure he had the key to the difficulty and clamoring to present it.

The Wickerham Law Enforcement Commission was all but buried under the stacks of letters, pamphlets, documents, wise and foolish, long and short, which piled up on their desks and in their closets.

We speak our minds about conditions and we investigate them. No doubt it would be wiser if we investigated before we spoke, but that is not our habit. Let us be thankful, however, that so many people are really interested in finding out the truth about things.

Investigation has been a powerful instrument in correcting the industrial system. It gave us the facts which led to the outlawing of railroad rebates, to the forbidding of monopolistic practices, to compelling fairer hours and wages and conditions in factories. For fifty years at least there has never been a time when some form of investigation of our industrial system was not going on in one branch or another of our Federal and State governments. The reports on some of them are really monumental. For instance the Industrial Commission which sat intermittently from June 1898 to February 1902 filled twenty great volumes. The investigation of the Standard Oil Company which led to its dissolution filled forty volumes, that of the United States Steel Company which resulted in a five to four vote that it was a "good trust" fills forty five volumes.

We have plenty of evidence that wherever we have succeeded in correcting the industrial machine it has been by taking time, giving infinite care to the gathering and relating of facts. Yet in spite of this the business of investigation is continually under-rated by the over-zealous, the hasty, the amateur in reform. The forays into suspected situations are made without preparation, without definite purpose, without really knowing how or why,

with the result that all serious investigation is made more difficult - the very word discredited.

It is much to be feared that the group of young college people who in the Easter holidays of this year invaded the Kentucky coal fields, only to be turned back at the border, have complicated the situation which they professedly wanted to relieve.

The episode will have a value outside of what the young crusaders may learn from it if it helps arouse public opinion until it demands that the coal industry as a whole either regulate itself or submit to government treatment.

For years it has been a shocking industrial scandal - an industry refusing to meet the restrictions put upon it by the competition of oil, gas, electricity. Too many mines, too many miners - a great natural resource running to waste. If we were operating under the Russian Plan the difficulty would have long ago been regulated by the closing down of all unnecessary mines, working those which were most advantageously placed to serve the markets for coal and putting the extra miners at some other job. Impossible under our Plan. But are we therefore helpless? Not at all. There are sections of the country where by the co-operation of operators and labor, fair stabilization in individual mines has been worked out.

It is pled that the Sherman anti-trust law stands in the way of economic combinations in the coal industry. Business is falling into the habit of blaming all its troubles on that law. But what does it forbid? Certainly not reasonable combinations for the sake of cutting out waste, improving efficiency. It is the calculated control of an entire industry by one group - control brought about by predatory practices - unlawful privileges that the Sherman law hits, and the ethics of business are not yet sound enough to make it wise to free it from the restraints of the statute. Be a "good trust" and you'll have no trouble under the Sherman law, though of course you must really prove yourself a "good trust!"

What we are learning is that the untrammelled competition the Sherman law is supposed to insure, may be as disastrous to business as the predatory competition it forbids. What is more wasteful, more harmful to our economic life than a business operating at a loss? Take it in a small town where you can see how things work. It is clear there that every business running at a loss is a drain on the whole community. Should a business be allowed to exist after it has proved itself unable to fill the need for which it was established? No business can longer be considered as a purely private affair. It exists to serve. When it becomes a burden instead of service should it not be closed down in the interest of both the management and the public?

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The eight million people now walking the roads of the United States seeking work are victims of unprofitable businesses allowed to operate at a loss as well as of the speculative businesses with their reckless expansion and fantastic supersalesmanship. Both are "unreasonable" that is, not in the interest of all the people. It looks as if we should have to come to some form of licensing if we would prevent the disturbance of non-profitable enterprises.

Justice Brandeis hints at that in a courageous minority opinion he gave in a case which recently came before the Supreme Court.

The state of Oklahoma requires that before a man goes into business he must secure a certificate of public convenience from the State Corporation Commission. For some years an ice plant has been operating in Oklahoma City under such a certificate. A would-be ice maker came along who claimed the state had no right to say whether he should or should not go into a particular business. He bought land, started to build. The licensed firm brought suit. The case reached the Supreme Court and was decided against it, that is, it was decided that under our Plan no state could forbid a man carrying on any private enterprise he wished to undertake.

Justice Brandeis dissented. Here are a few paragraphs from his opinion:-

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"The people of the United States are now confronted with an emergency more serious than war. Misery is wide-spread in a time not of scarcity but of over-abundance. Rightly or wrongly, many persons think that one of the major contributing causes has been unbridled competition.

"Increasingly doubt is expressed whether it is economically wise, or morally right, that men should be permitted to add to the producing facilities of an industry which is already suffering from over-capacity.

"All agree that irregularity in employment - the greatest of our evils - cannot be overcome unless production and consumption are more nearly balanced. There must be power in the States and the nation to remould through experimentation our economic practices and institutions to meet changing social and economic needs.

"To stay experimentation within the law in things social and economic is a grave responsibility. Denial of the right to such experimentation may be fraught with serious consequences to the nation. It is one of the happy incidents of the Federal system that a single courageous State may, if its citizens choose, serve as a laboratory; and try novel, social and economic experiments without risk to the rest of the country. This court has the power to stay

such experimentation. We may strike down the statute embodying it on the ground that, in our opinion, it is arbitrary, capricious or unreasonable. But in the exercise of this power we should ever be on guard, lest we erect our prejudices into legal principles. If we would guide by the light of reason, we must let our minds be bold."

It is the "bold" mind of which Justice Brandeis speaks that we can think for much of the humanizing of our industrial machine. The right to run your business as you pleased, pay the wage you pleased and work the hours you pleased, were claimed in the early days to be guaranteed by the Great American Plan. It took a succession of bold minds to convince the people that the "general welfare" the Plan set out to promote was not served by exploitation of the weak.

There recently died in the city of New York a woman who was one of the boldest and on the whole the most effective of these early warriors for social betterment this country has produced - Florence Kelley. She sought betterment through legislation. Thirty-nine years ago she became a factory inspector in Illinois. From the start she was a thorn in the flesh of the great factory employers, but she won her victories steadily by her ability to gather and present damning facts, facts for which people would not stand. It is now twenty-seven years since Florence Kelley published her, "Some Ethical Gains Through Legislation,"

and convincing proof it is that we could legally under our Plan force correction of the outrageous situations in which workers found themselves in so many of our factories.

For many years and until her death Mrs. Kelley was the inspiration and the driving power behind that fine fighting body, the National Consumer's League. The members of this organization are pledged to use their purchasing power against all employers guilty of unfair and unsanitary practices. One of the most successful campaigns the league carried on under Mrs. Kelley's direction was that concerning ready-made garments. It devised a label which guaranteed that the garments bearing it had been made under proper conditions. But how many of us women buy only garments carrying the white label? It would be interesting to take a straw vote among those of us who profess concern about the conditions under which our sisters in the factories work. We complain loudly about them but when it comes to this really effective break an exploitation we rarely take the trouble to exercise it.

Mrs. Kelley's last fight was over candy and she put more or less terror into the souls of all candy makers by publishing lists of the firms which lived up to the standards satisfactory to her and to the Consumer's League.

A fine and sturdy warrior, Florence Kelley, who through a long life struggled to develop a social conscience in our democratic body.

The chief organization in this struggle to correct by law the evils of industry is the American Association of Labor Legislation now nearly twenty five years old and still under the direction of its first active secretary, John B. Andrews.

For some twenty five years Dr. Andrews who came to his work from the militant atmosphere of the University of Wisconsin, has been carrying on his campaign against flagrant industrial abuses. He first attacked phosphorus poisoning in match making. This dread calamity dramatized for him the cruel and often needless suffering of those who are required to work under conditions over which they have no control. In this instance occupational disease could be abolished only if all match manufacturers would agree simultaneously to stop using the deadly poison for which there were harmless but more expensive substitutes. Manufacturers representing five percent of the product insisted on using the slightly cheaper poisonous yellow phosphorus. The remainder thereupon declared themselves helpless owing to competitive conditions.

Dr. Andrews went after the evil in a scientific fashion. He mastered the facts in the case and then prepared a report so vigorous and convincing that the Federal Government published it. He followed it by a bill which Congress adopted compelling all match manufacturers to give up the poison on a given date. This was in 1911.

I hear it argued sometimes that industry has so humanized itself since 1911 that it does not need the hand of the law to compel it to abandon practices which endanger human life. Unhappily this is not true. Take the explosions in our coal mines which annually exact so frightful a toll of life. Rock dust stops the spread of the explosion. Mining engineer authorities urge it as a simple and inexpensive safeguard. It saves hundreds of lives, but constant work has to be done, state by state, in securing the adoption of the Association's "standard bill" requiring that the blanket of rock dust be thoroughly applied and adequately maintained. But recently when the Governor of Virginia, with thirty eight killed miners entombed by the coal dust explosion at Pocahontas, sent a special message to his legislature urging adoption of the standard bill, it was peremptorily killed in the Mines Committee through the influence of mine owners.

No. 80 Such campaigns as Dr. Andrews conducts are essential to safeguard workers, to protect conscientious employers against the undercutting of less scrupulous competitors, and at the same time protect the community from a charity burden often thrust upon it as a result of needless personal injuries inflicted in the course of employment.

But this is not saying that those who direct our industrial life never see or set right that which is wrong in their houses unless the law forces them to do so. Go back no further than fifty years and you will find every wrong that has developed attacked at home by those who were responsible. Not generally to be sure, but somewhere was a man who saw and tried to do something about it.

Take one of the commonest criticisms of our industrial machine, that under it the distribution of wealth is more and more unfair, that the gap between the rich and poor is widening. What are the facts about the distribution of wealth? Certainly not as encouraging as I would like to have them, but not as discouraging as irritated complainers make out. The income tax reports prove that we have done something towards a better distribution. Compare the year 1916 with the year 1928. The returns from incomes of a

million dollars and over were something like two and a third times as great in 1928 as they were twelve years before, but the returns from incomes from Five to Ten Thousand were four times as great and of those from Two to Three Thousand were seven times as great. This can mean but one thing that there has been a more rapid growth of the number of peoples on the small incomes than the number on the higher.

We have all sorts of indications to prove that there has been an increase in the welfare of the common man. One is the growing number of small and as a rule pretty and convenient homes on the outskirts, particularly of the towns and cities of the Middle West, the multiplication everywhere of suburban homes, of towns, attractively laid out, well governed, good schools, people taking the matter of home-making into their own hands. This is something - indeed a great deal.

One reason for this increase in well-being is that for fifty years and more certain industrial leaders have been steadily and seriously trying to find a measuring stick for the services of different classes of workers. What is the relative value of the contribution each person connected with a business makes? It is pretty certain there

are those from top to bottom who get more than they are worth, but there are probably many others who get less than they are worth. Can we find a measure which will be at least approximately accurate?

There are plants in this country which are veritable laboratories, seeking not only the correct value of a man's service but how to promote his health, safety, contentment. Today these industrial laboratories are seeking as never before to solve the staggering problem of putting the workers in a position to live through the recurring periods of depression which afflict the world. Not so easy when they must at the same time keep the industry alive, for the sake of the workers if for no other reason. Keep it alive that he may have a job in his old place when jobs are once more to be had - a time which is sure to come.

One of the really heartening things in this disheartening period is the energy with which much of our industry is analyzing itself, admitting its mistakes, taking its punishment, planning for a future in which certain of its errors will be prohibited by law if necessary, in which practices will be soberer, more grown up; for one cannot escape the conviction that a good deal of our present trouble is due to the fact that we have a multitude of men of power in every department of our business life who have played with the affairs of this people like wanton and irresponsible boys might play with fire.

It comes back under our Plan to each of us, does it not? We have all the tools for the corrections of the evils which torment us. We have the habit of using them. We have a long record of things corrected, evil things destroyed. Can any one doubt that if each of us exercised to the full the power we have as citizens under the American Plan, that we could control our industrial machine, compel it to work in harmony with the farmer and no longer as a conscienceless master, harness it so that it will not expand faster than we can digest its products, divide its fruits so that each concerned will get something like the worth of his services? We can do all this I take it by a patient and scientific use of the methods in our control, that is, by getting full facts, digesting them, speaking our minds about them, persuading to correction when we can, compelling it when we can't. We can get our wealth producing machines as nearly in order as is humanly possible and can keep them there.

But by doing that do we secure for ourselves the ends for which we adopted our Plan - "tranquillity," "welfare," the "blessings of liberty?"

I do not believe it. So long as the country has its eyes set on wealth and wealth alone as the road to

contentment, peace, general well-being, we will never realize our aim. "Man shall not live by bread alone," is the profoundest of observations - nor by two automobiles to a family and a radio in parlor and kitchen.

The spiritual and intellectual life of this country needs even more correction than its industrial life.

Industry will never be put right, never be on a really solid and satisfactory basis until there has been a revolution in our thoughts and our wants. When as a people we recognize that there are precious things money cannot buy and when we want these things more than we want money, then we shall reach the only foundation for a prosperity which will give us that which at the start we professed to be the objective of the American Plan.