

April 20th 1945

Dear Ones,

Services tonight were routine; played some volleyball tonight. Today has been hectic, I found myself on the carpet a couple of times - oh, well, my comment of yesterday explains today, too. The rub is that in the Army complaining does little real good - there is seldom a sure and favorable alternative. For some reason my heat rash persists; the weather is still warm, but is more comfortable than, say, a couple of months ago.

First of all, I was rather disappointed to read the analysis of the San Francisco conference in TIME of April 9 - I thought that the emphasis of the entire commentary was wrong: it questioned the wisdom of the conference at this time and then proceeded to bemoan the still current questions of voting, Poland, the sudden friends in Argentina and Turkey which could be rehashed at the Conference. I should assume that now that Molotov is going to the conference TIME will grant that perhaps the discouragement was uncalled for and perhaps Russia is ready and willing to cooperate on a full scale - what I am getting at is the tendency to indulge in prophecies of gloom the moment a few signs show up that are not cream and sugar. Why jump to the conclusion that "Stalin doesn't give a damn?" How can one measure in the heat of world peace that it is out of key justify that catastrophic conclusion? Be serious, be honest, be critical certainly - but why start buying flowers for the funeral when the patient who is on the road to recovery gets a little fever?

The Readers' Digest came today and of course I sat down and read the excerpt- condensation of Hayek's book - I underlined, and made notes, and I will form my commentary from them. First of all, I want to make clear that I think that the condensation may have hurt the book and perhaps this article is really not a complete enough material ^{Fair} verdict. Because I don't think that the book says a thing - let me explain, there is much that I agree with, there is as much that I disagree with, but at the critical point of his treatise, on page six, Hayek fails to ^{DO ANYTHING WITH} his main and crucial thesis and to my mind that failure gives an air of irrelevancy to the very true statements which he goes on to make. Perhaps my running criticism will help explain what I mean - here goes, page two: Nazism is not the "necessary outcome" of socialist tendencies - to explain Nazism in that light is invalid oversimplification: Nazism is the result of military defeat, of a sullen people, of (not a socialist background but of) a militaristic and undemocratic background, of a people misled once more into the ways of hate, prejudice, self-glorification, and war. The ideas of "Mein Kampf" were planted seeds long before the days of the Weimar Republic - surely, Machiavelli's "Prince" and the writings of the post-Napoleonic German nationalists were not logical outcomes or follow-ups of socialistic, humanitarian principles. And I have only touched the surface of the reasons explaining Nazism. On page five, socialism did not kill German liberalism - see page four, "the Germans long before the Nazis were attacking liberalism" but would you call Bismarck a socialist? Now from this historical phase, my second criticism is that what is applicable to Germany or to Italy is not applicable to the societies of England or of the United States, which societies are the concern of Hayek, and that is Hayek's first and primary fallacy. With no justification Hayek assumes that the alternatives open to the defeated Germans or the disgruntled Italians are the same that face the people of England whose social progress is dated from the days before the Magna Carta and the people of America whose history carried on the English tradition and melded it uninterrupted into their own. The liberal advance of these nations is in no way comparative - a fact which Hayek overlooks. Do you realize the implications which Hayek is leveling at our democratic system and our democratic principles - he ignores the history of freedom and the political fact of economic progress that has marked out greatness; he assumes that this has left no mark on our thinking or on our mentalities. He gives to the democratic populace not an iota of credit for the ability to maintain its institutions and its standards - he forgets that our tradition is not of social failure but of social success - the Magna Carta, the repeal of the Crown Laws in England, the American revolution, the French revolution, the work of Smith and

Rousseau, the attempts of Robert Owen, of the American transcendentalists to start the model society. The list is too long and my memory too short for me to summarize the history and more important the spirit of the progress of the English speaking peoples. This is what struck me in my first perusal of Hayek and his study - the man may know Germany, but he does not know America - he offers no road away from serfdom, he offers a dead end. In other words a great deal of what he says about the facts of Germany may be true, but they do not apply.

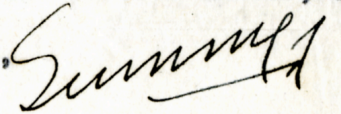
Now let's get to the crux of the whole article - it is in 30 words on page six: "Planning and competition can be combined only by planning FOR competition, not planning AGAINST competition. THE PLANNING AGAINST WHICH ALL OUR CRITICISM IS DIRECTED IS SOLELY THE PLANNING AGAINST COMPETITION." There it is all cut and dried * and I agree with Hayek one hundred percent; he says that there is logical possibility and justification only for planning and competition combined by planning for competition. It is too bad that he does not give what he favors equal emphasis with what he is against - his use of terms and terminology is absolutely atrocious: for just before the above thirty word he had said that there is no middle way between competition and "central direction." Later on he says that planned economies do not produce more than competitive economies - and before that (on page five and over to the top of six) he misdefines the issue through his inability to see that for the democratic-capitalistic heritage there is a middle ground. When it comes down to these critical hypotheses he is blandly non-definitive. I don't have to copy those four sentences over again to point out that in putting one alternative as " to create conditions under which individual initiative is given the broadest scope for individual planning" he covers a hell of a lot of territory. Since by definition (his own) conscious planning is synonymous with fascism, naturally all readers will agree that it is bad - but that does not mean that he has given a valid definition of conscious planning as I think of it, as Henry Wallace thinks of it, as you think of it. Now if we carry Hayek's own idea of planning for competition as a valid idea and hence part of individual planning, we arrive at such a broad base for discussion that we have actually gained nothing from his discussion except a well taken warning of the reality of fascism, and the whole rest of his article predefines planning as being wicked, collectivistic (or socialistic) and henceforth no better than Nazism and offering no overall social gain. But there are some of his comments on "sincere democratic planners" which bear relation to the first alternative which he approves and yet which he ignores. He says on page nine that "Individual freedom cannot be reconciled with the supremacy of one single purpose to which the whole of society is permanently subordinated." And again " the democratic planner must either become a dictator or give up (paraphrase.)" And getting back to the comparison of German socialism on page 10, he says that they (the socialists) "hoped for the miracle of a majority's agreeing on a particular plan for the organization of the whole society." Would that be a miracle for our society, for the society of Britain, for the society which is studying the Beveridge plan? But getting back to "democratic planning itself - I don't think that Hayek can fully comprehend what I feel is the potential of a working democracy. Individual Freedom can be reconciled with recognized social minimums - and that in no way means the terrible picture of an overall planned economy which Hayek recognizes in print as the only alternative, in no way means "one single purpose of the planners" to which the rest bow down in humble worship. Hayek is barking up a tree which is a figment of his imagination as it refers to our functioning democratic-capitalistic economy - no one, not Wallace, not Hopkins, not even Earl Browder I don't think, has suggested the substitution of anything for the basic incentive of competition. If Hayek's book were merely an attack on overall planning he would have something, but it is more than that since it fails to consider the positive phases of the alternative, which are exactly what Wallace is considering and he fails to ~~recognize~~ ^{HAYEK} - I should say emphasize - that he is admitting that planning for productive competition does have its place. This together with his woeful failure to credit our democracy with enough positiveness to recognize and achieve minimum social goals without losing our competitive fundamentals make up the striking failures of the "Road to Serfdom." His warnings undoubtedly deserve the attention of every thoughtful citizen, but do not look to Hayek for a competent elucidation of how our democracy can achieve planning for competition and avoid planning against competition.

I hope that there is some clarity in what I have said - I have tried to make clear that the only definitive part of Hayek's treatment is his attack on totalitarianism and its many pitfalls, and that although his overall impression is that planning is not good and is laden with dangers, there is nothing conclusive and/or definitive in his work which denies that planning on the fundamentals of democratic-competitive society cannot be achieved - the positive phases of his book strike me as being very confused.

Well, I will await your answer - perhaps I should have carboned this review and criticism for reference when I receive what you have to say on the book. And I think that that covers Mr Hayek and what I have to say for tonight. I had hoped that the book-article would give me a basis for our discussion of labor etc, but as you can see, I do not feel that Hayek supplied that. His book is stimulating - and obviously from the length of this letter - provocative, and in that sense important even though he fails to elucidate what the positive aspects of planning for competition, of creating the conditions for the full play of individual initiative, for the optimum interplay of free activity within our legal (and I would add social) framework. You have written Daddy that you approach Wallace with the attitude of guilty until proven innocent, that you welcome Hayek's warning - I am different: I would much rather discuss the man who is positive, who is constructive, who gives you a doctrine of work and hope into which you can sink your teeth and from which you can extract a living and effective policy - how much more constructive that discussion is than the discussion of the man who is against, who is full of fears and warnings and cries of alarm, without being equally positive in his belief in and exposition of our method to escape the evils he predicts! Let your criticism bring you to a stand, a belief, a policy for the realization of your faith, rather than to a definition of what you are afraid of!

OK for now - next time - the policy of selection in education, the Zionist matter, and East Lynne!

All my love,



Regards to Doris.