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Realizing The Dream! – Give us a student, we give back a Bureaucrat
ON CAPITALISM AND COMMUNISM

Will Durant

Why do we become more conservative as we age? Is it because we have found a place in the existing system, have risen to a larger income, and have invested our savings in an economy, which any significant revolt might alter to our loss? I believe this is the primary cause. But we should admit a secondary cause, which conservatives hold to be fundamental: a growing knowledge of human nature, and of the limits that human behavior puts upon the attainment of ideals. Presumably there is also a physiological cause—a lessening of vital forces as the years advance.

My own passage from devout radicalism to cautious liberalism may illustrate the transition, and may allow the reader to discount my conclusions. I have told this story elsewhere, I summarize it here. Raised in a Roman Catholic family of confirmed Republicans, I leaped in a year (c. 1905, aged nineteen) into agnosticism and socialism. I entered a Catholic seminary in 1909 in the delusion that I might, as a priest, influence the Church to support socialist ideas. In 1911 I left the seminary, and became the sole teacher and chief pupil in the Ferrer Modern School in New York. The school had been named after a martyred Spanish rebel against Church control of schools in Spain, and was managed by a board of anarchists and socialists led by Emma Goldman, Alexander Berkman, Harry Kelly, and Leonard Abbott. Emma Goldman was a doctrinaire and authoritarian apostle of liberty. Berkman was a sincere and lovable unionist who, at the age of twenty-two, tried to kill Henry Clay Frick (1892), head of the Carnegie Steel Company; deported to Soviet Russia in 1919, he left it as the contrary of his ideal, lived in France in disillusionment and despair, and killed himself in 1936. Harry Kelly was a tireless devotee, who opposed the printing of an article by me in the magazine Mother Earth on the ground that I followed a socialist rather than an anarchist line; I learned then that rebels have the same instincts as other people, without the caution that keeps others in line. Leonard Abbott was a highly cultured “philosophical anarchist,” whose belief in liberty and rebellion was tempered by an open mind and a generous spirit; we called him, in no financial sense, “the angel of the radical movement.” He was one of the finest human beings that I have known.

I remained a socialist from 1905 till 1916, when I betrayed the faith by working for the reelection of Woodrow Wilson. A socialist daily, the New York Call, branded my apostasy with a pungent editorial entitled “We Know This Breed.” I joined Amos Pinchot’s “Wilson Volunteers,” who barnstormed New York State. Walter Lippmann, who had already (1916) made his mark as a political philosopher, addressed major gatherings in halls or theaters; I spoke to small groups in the streets. Wilson lost the state.

My socialist sympathies survived that election, and were rekindled by the Russian Revolution (1917), which I hailed as a blessing for all mankind. This faith endured till 1932, when Ariel and I traveled through Siberia and European Russia; there we saw not Utopia but chaos, regimentation, brutality, and starvation; we came back so disillusioned that we have never been quite the same again. I wrote in haste some magazine articles, which I gathered into a little book, *The Tragedy of Russia* (1933); they lost me a host of friends among the radicals and literati of New York.

Of course I judged Russia foolishly in 1932. Despite my addiction to history I failed to interpret those awful conditions in the light of the past. I forgot that Russia, for hundreds of years, had known bitter exploitation and poverty; that it had just waged and lost a war which had



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shattered the order and economy of the nation; that the new state had had to spend its surviving human and material resources in fighting off enemies and former allies on a dozen fronts from Germany to Japan; and that fifteen years were not enough to beat all that chaos into order, or to transform that agony and starvation into plenty and content. I could not realize that in the economic disarray of 1917, the general illiteracy, and the collapse of local and central government, a peaceful and operative democracy would have been impossible. Russia in 1917–32 was a nation at war, surrounded and besieged, threatened with conquest and disintegration. It did what any nation so situated would have to do: it put democracy aside as a luxury of order, security, and peace, and set up a dictatorial regime as the sole alternative to disaster. Communism in those years was a war economy, such as we ourselves may have to resort to in the next world war; and perhaps its continuance depended upon the persistent threat and fear of war.

Meanwhile that once merciless dictatorship startled the world with its accomplishments. In fifty years it had made Russia one of the strongest nations on earth. Despite droughts, starvation, revolts, purges, and concentration camps, and a thousand mistakes of economic or political policy, the Russian government brought its people out of devastation to a level of prosperity unknown to them in Czarist days, and perhaps that level might have equaled that of Western Europe had not Russia been compelled to spend so much of its resources and its manpower upon military reorganization and armament. Though Russia was attacked in 1941 by the strongest, best-trained, best-equipped, and best-led army then in existence, although its defenders were driven across the breadth of European Russia to Stalingrad, its soldiers and people fought with heroic courage and perseverance, beat the invaders back across Russia, back to Berlin, and there put an end to the Second World War. It was American materials that made this historic recovery possible, but it was Russian flesh and blood that made it real. It was to meet the challenge of communism, as well as to end a critical depression, that Franklin Roosevelt, in the most brilliant statesmanship of the twentieth century, devised the welfare state. President Truman carried this peaceful revolution forward; President Johnson extended it to a scope exceeded only in Great Britain. These Democratic administrations did not enact socialism, but they achieved such a Hegelian synthesis of capitalism and socialism that lifelong socialists like Norman Thomas could feel that they had not lived in vain.

The architects of the welfare state recognized the virtues of capitalism: they perceived the creative stimulus that had been given to invention, enterprise, production, and commerce by the freedom that the laissez-faire governments, after 1789, had allowed to the acquisitive and competitive instincts of mankind. But they also saw that unchecked liberty permitted the natural inequality of economic ability to develop an extreme concentration of wealth, and that most of this wealth was reinvested in accelerating production, and that this caused periodic depressions dangerous to the survival of the system. Of what use was it that invention, mechanization, and able management multiplied production if the purchasing power of the people did not grow commensurately?

So an increasing number of capitalists, under the tutelage of Democratic presidents, learned that they might save—perhaps enrich—themselves by accepting unions, paying higher wages, and surrendering more of their profits and salaries to the government. A rising rate of taxation enabled federal and local administrations to spread money in relief, pensions, social services, education, medical aid, hospital care, and public works. Some of the concentrated wealth was



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distributed; the purchasing power of the people came closer to their ever-expanding productive capacity; the system worked and spread abundance, until wealth was again concentrated and necessitated another distribution.

Year by year the government took and disseminated more of the wealth, managed or controlled more of the economy. Socialism inserted itself into capitalism without destroying it; enterprise, competition, and the pursuit of profit still enjoyed a stimulating freedom; great fortunes were still made; some of these were squandered in luxury, revelry, or display—debutante parties costing \$50,000; some, to avoid taxation, were transformed into “foundations” generally helpful to education, science, medicine, and religion; but the greater part of the new fortunes fell forfeit to the state. The consequent extension of welfare services by the government, added to automated production and rationalized distribution, reduced poverty to a point lower than any hitherto known to history, though still alarmingly real. Now the rival systems—communism plus dictatorship vs. capitalism plus the welfare state—stand face-to-face in competition for the allegiance of mankind.

My choice between them was not impartial. I was born in the United States; my roots and friends are here; only in a democracy could I have had the opportunities that I have enjoyed for education, freedom to travel, and uncensored authorship. Some of these liberties have been curtailed; for example, I cannot visit Communist China without having my passport withdrawn. But much liberty remains: I can go on strike and join a picket line and I can criticize my government even in fundamental concerns.

Usually internal freedom varies inversely with external danger: the greater the danger the less the freedom. Liberty has diminished in the United States because airplanes and missiles have reduced the power of the oceans to protect us from external attack. As improved communications and transport override frontiers, all major states are caught in a web of perils that erode liberty and make for compulsory order. In the next world war all participating governments will be dictatorships, and all involved economics will be socialist.

Each of the rival systems has drawbacks that their rivalry has helped to reduce. Capitalism still suffers from a periodic imbalance between production and consumption; from dishonesty in advertising, labeling, and trade; from the efforts of large corporations to crush competition; from involuntary unemployment due to the replacement of labor—even of skilled labor—by machinery; and from abnormally swollen fortunes generating resentment in the enclaves of poverty. Communism suffers from the difficulty of substituting governmental prevision of what the consuming public will need or demand for the capitalist way of letting public demand determine what shall be produced and supplied; it suffers from restraints on competition, from inadequate incentives to invention, and from reluctance to appeal to the profit motive in individuals and companies.

Will the cry for personal, political, economic, religious, and intellectual freedom become more insistent in Communist countries while in the West such freedoms will decline as private property yields more and more of its wealth and independence to governmental control? As the Napoleonic Wars hastened the development of industry and capitalism in Western Europe, and as the Civil War had a like effect in the United States, so the two world wars accelerated the transition from individualistic capitalism to state capitalism or government-controlled industry. A hundred signs suggest that the nature of man, the danger and compulsions of conflict, and the growth of communication and trade will eventually bring the competing economies toward



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basic similarity. (Meanwhile, the diminishing difference can be emphasized by the rival governments to generate the hatreds useful in nationalistic wars.)

The communist and capitalist systems already resemble each other in many basic ways. Each has subordinated its internal economy to the needs of actual or potential war. Each aims at world hegemony, though one disguises its aim in terms of “wars of liberation,” the other with the plea that it must serve as the policeman or order in a dangerously chaotic world. Each might be described as a form of capitalism if we define this as a system controlled by the managers of capital: in America some part of the worker’s product is kept by private managers to provide private capital for private industry; in communist countries part of the worker’s product is kept by public managers (actually by that small fraction of the public called the Communist Party) to provide public capital for public industry. Apparently the American worker—free to organize unions, to strike for higher wages, to radically criticize his masters, to peacefully overthrow a party in power, and to vote himself (through his elected officials) governmental services, pensions, and relief—plays a larger role in determining how much of his product is left, or comes back, to him than does his Communist counterpart. In both systems the men who can manage men manage the men who can manage only things.

Human nature as now constituted seems to favor a system of relatively free enterprise. Every economy, to succeed, must appeal to the acquisitive instinct—the desire for food, goods, and powers, and never in historic times was that impulse so unchecked as under capitalism. The itch for profit may not be overwhelming in the common man, but it is strong in men who are above the average in economic ability; and it is this half of the nation that will sooner or later mold the economy and the laws. We can understand, then, why communism had to make increasing concessions to this instinct. Only slightly less powerful is the urge to sexual union and play; this has obviously more freedom in America and Western Europe than it does in Communist countries, which struggle to preserve the puritan code associated with their agricultural past. Third among the instincts is the impulse to fight and to compete; this, too, has enjoyed a heady release under capitalism. Unquestionably it shares in improving industrial products; what would Ford and General Motors cars be without their constant rivalry? Despite secret and illegal agreements every product in America is subject to such stimulating rivalry in methods, quality, and price. I wonder whether state control of production in communist countries would allow sufficient competition, among individuals and groups, to realize similar benefits to the consumer? How much of Russia’s rapid progress before 1960 was due to free imitation of foreign inventions and processes (themselves the result of free enterprise and competition), and to the importation of foreign machinery and technicians?

The instinct of aggregation favors the Communist system: most men are content, and many are pleased, to follow a leader or join a crowd. We have crowds in America, too, but they are hiding places for lonely individuals, rather than cooperating groups animated by collective actions, pride, and ideals. The reverse of the gregarious instinct—the desire for privacy, for freedom to move about, and to differ from the norm—gets wider play in Western Europe and America than it ever did in Russia, where everyone seemed to live in a confining web of public surveillance, conformity, and control. All in all, the average American (despite the natural protest of the unplaced minority, and of politicians out of office) seems happier, laughs more, ventures more gaily, sins more freely, than his Communist analogue.



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