

# THE CHOICE BEFORE US

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NORMAN THOMAS

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AMERICA'S WAY OUT

AS I SEE IT

*In collaboration with* PAUL BLANSHARD

WHAT'S THE MATTER WITH NEW YORK

*To the brave men and women, living and dead,  
who have made Socialism the hope  
of the world*

## PREFACE

It is a poor book which needs an elaborate preface to explain it. This book must speak for itself and its purpose or speak not at all. But one word of explanation may be in order. The book stands on its own feet. It can be read without reference to anything else I have written. Nevertheless some sections of it are shorter and more summary than would have been the case had I not already written *America's Way Out*. I refer especially to the chapter in which I criticize capitalism and the section in the last chapter which briefly summarizes the immediate economic program of Socialism. Both of these matters as well as the problem of incentive under Socialism and the question of the probable efficiency of socialized industry I have dealt with more fully in my earlier book. That book was written before the depression had revealed its full significance and before the world believed it would have to accept a Nazi victory in Germany with all its sinister implications. It lacked therefore some of that note of urgency which the growth of Fascism must give every socialist argument today.

The Socialist program as I have developed it here goes somewhat beyond my statement of it in the earlier

book in its fuller discussion of confiscation, of the necessity of a capital levy, and of a possible type of government for a Socialist society.

This book has been written at a time of such pressure that it would have been impossible to complete it without the active and eager coöperation of my wife.

NORMAN THOMAS.

January 3rd, 1934.

## CONTENTS

	PAGE
PREFACE	vii
CHAPTER	
I. THIS TROUBLED WORLD	1
II. THE BREAK-UP OF THE OLD ORDER	11
III. WHAT IS WORTH SAVING?	31
IV. THE RISE OF FASCISM	42
V. SOCIALISM AND COMMUNISM	63
VI. THE NEW DEAL IN AMERICA	83
VII. SOCIAL FORCES IN AMERICA	128
VIII. THE ROAD BEFORE US	162
IX. TOWARD THE COÖPERATIVE COMMON- WEALTH	200
INDEX	237

## CHAPTER I

### THIS TROUBLED WORLD

FIFTEEN years ago, almost to the very day, as I write these lines, the Armistice was signed which brought to an end the First World War. The signing of that Armistice was celebrated with such tumultuous joy and expectation as even those with the clearest memories find hard to recapture. The war which had cost the lives of at least thirty million soldiers and civilians, the war which had blotted out the finest and bravest of the whole generation—that war was definitely at an end. The forces pledged to democracy and to the establishment of peace had won. The world was saved.

Today by common consent Europe stands at the brink of war. The situation in the Far East is equally ominous. Men who are honest with themselves must admit that the chief hope of peace in Europe is Germany's lack of heavy arms plus a universal war weariness among the masses which might easily turn new international war into domestic revolt, if not revolution, in any of the great nations. In our own country the chief protection against our possible entry into



new world war is nothing nobler than the almost universal conviction that, as the vernacular has it, we were badly stung in the last war.

I was on a trans-continental train when the news came that Hitler had taken Germany out of the League of Nations and out of the Disarmament Conference. Most of my fellow passengers were engaged in discussing the issue most appropriate at the moment; namely, which of the coaches and teams on the Pacific Coast was likely to win the football championship. But in such time as they took from these higher metaphysics they expressed the almost unanimous sentiment that if Europe were foolish enough to get into another war we should know enough to keep out, and that we would not even sell things to warring nations; that is, unless they paid for them in cash!

In other words, after all the talk in the black days of 1914 to '18, that this was a war to end war, after all the bloodshed and the agonies of No Man's Land by men who hoped that by their suffering their sons or younger brothers might be spared such depth of woe, after all the tortuous schemes and easy panaceas which have been proposed in fifteen years of troubled peace, whatever hope there is of avoiding the catastrophe of war, made infinitely more deadly by the onward march of physical science, lies not in the basic ideals or social institutions of men, but simply in their negative fear of war and its possible consequences. International confer-

ences without number, the establishment of a permanent World Court, the much discussed League of Nations, the supposed outlawry of war by the Kellogg-Briand Pact—these and many international conventions and treaties besides, count for nothing, or almost nothing, in the face of the gravest danger that man has ever confronted. The United States and Russia never were included in the League of Nations. Japan, and more recently Germany, have announced their intention of withdrawal from it. The outlawry of war in practice has meant that the nations fight but do not declare war. Japan has taken Manchuria by force from China and has bombarded and occupied Shanghai, with great loss of life, without any declaration of war. Paraguay and Bolivia for almost two years have engaged in sanguinary conflicts over a remote territory in the wilderness without ever declaring war. More money is spent on armament than in June, 1914, and in the world as a whole more men are under arms. Nationalism is certainly more rampant and hate more obviously poisons the relations of nations than it did on the eve of the First World War. The United States, itself somewhat withdrawn from the European maelstrom, has the largest peace-time military budget in its history, except for 1916 when the world was in flames. After years of patient diplomatic work, a badly battered Disarmament Conference was wrecked by Hitler's withdrawal from it. Previously the London Economic Conference, one of

the most inclusive world conferences ever held, dissolved in failure.

The more deeply we look into the situation the worse it appears. Fascism, especially of the German sort, more openly, continuously and aggressively glorifies war and inculcates the war spirit than did Kaiser Wilhelm II. at his swashbuckling worst.

The great Soviet Union, nominally the exponent of world-wide solidarity of the workers, and actually in its immediate diplomacy a friend of peace, has nevertheless felt obliged not only to maintain a great system of compulsory service but to militarize education to an almost unprecedented degree. The Fascist countries themselves have not gone farther. No wonder that that best seller, that amazing collection of war pictures with captions by Laurence Stallings, is entitled "*The First World War.*"

If that First World War proved anything, it proved the inadequacy at this stage of man's development in an interdependent world of the religion of nationalism with its claims of absolute national sovereignty. We have tried and tried in vain, as the War of 1914 to '18 abundantly proved, to organize our common affairs on the basis of the theoretical equality of nations of very different size and strength, and the actual dominance of mankind by several imperial systems. But nevertheless nothing is plainer than that nationalism has been intensified since the First World War, and that not

merely in Fascist states. In our economic life, there has been a curious and very strong revival of the doctrine of the desirability of national self-sufficiency, a revival which reminds one not a little of the mercantilism of the 17th and 18th centuries which led to so many wars, including the American Revolution—a neo-mercantilism which is now loudly proclaimed among highbrows who talk of “autarchy” and lowbrows who shout the familiar slogan: “Buy American,” “Buy British,” “Buy Japanese.” This revival of nationalism is, at least in part, a symptom of the breakdown of the economic order which in the last decade went in for a kind of gamblers’ internationalism, a cosmopolitanism of speculation which was the reverse of any true internationalism. In the hour of collapse it has proved easier to make the average American investor, big or little, resent the system under which he bought Peruvian or German bonds than the system under which he bought stocks in Samuel Insull’s elaborate structure of holding companies. Yet basically the system was the same, and the collapse of foreign investments was not greater than the collapse of some of the most favored of American securities. By no possible logic can citizens of any nation blame world-wide depression solely on the machinations of shrewd and wicked foreigners. The devastation of economic collapse has been too universal for so easy an explanation.

Poverty and insecurity are, alas, old stories for men.

It remained for this generation, and particularly for this generation of Americans, to invent a new and most bitter type of poverty. Pearl Buck's moving description of famine in a Chinese village is the kind of thing which with minor changes could have been written about agricultural villages over and over again in almost all parts of the world ever since the dim dawn of history. It remained for us to invent "bread lines knee-deep in wheat." Other generations have been poor because they could not produce enough. We are told that we are poor because we have produced too much. For thousands of years man had to accept the inevitability of scarcity. Society would have had the poor always with it, no matter how just and kind might have been its institutions, for the simple reason that man had not learned to harness the powers of nature to help him wrest an abundant living from the earth. It was on the basis of inevitable scarcity that the Greek philosophers tried to justify chattel slavery. Today, as everybody admits, the machine is our slave. We depend not upon the energy of men but upon the energy of electricity to give us at once abundance and leisure. And still in a nation like our own, blessed by every gift man's skill and nature's abundance can bestow, millions of children go hungry. Their fathers vainly seek work that does not exist. They and their families are crowded together in shacks and slums and hovels while the builders of skyscrapers are

idle. No satirist ever penned such an indictment of a cruel and lunatic order of society as was written by the author of the Agricultural Adjustment Act in America who saw no way to restore a partial prosperity to farmers except to produce an artificial scarcity by paying agricultural producers from the proceeds of a tax on consumers to destroy the abundance of foodstuffs which men had struggled thousands upon thousands of years to be able to create. And this, be it remembered, in the midst of a cold and hungry world. The more sincerely one believes that such legislation was an emergency necessity the more terrible is the indictment of the civilization which brought it about.

It is not surprising under these circumstances that almost every nation seethes with unrest. It is surprising that men have been so patient. Perhaps the reason is that in the complexities of modern life men instinctively feel that it is not enough to destroy in the fury of resentment, and they do not yet know how to build. Yet that reason can scarcely explain the fact that when Germany reached the point of action her Fascist revolution, beneath its emotional and pseudo-radical dressing, was still essentially capitalist in nature.

It would be unfair to set down this description of our troubled world without recording the fact that by the last quarter of 1933 there has been a slight economic recovery in several countries, notably England and Canada, without the New Deal, and in America consider-

able recovery as compared with the depth of depression in March, 1933, to the accompaniment of the much discussed New Deal. There was in the United States after the inauguration of President Roosevelt something of an outbreak of health and energy in sharp contrast to the lethargic drift to destruction which marked the Winter of 1932 and '33. As the year drew toward its close this new optimism was decidedly checked as America set about to face the third phase of the depression to which no end was in sight.

To the believer in a new and infinitely nobler order than Fascism there was by the end of the year some hope to be found in the elections in Great Britain, Norway, Switzerland, and elsewhere. They seemed to show that after the debacle of Socialism in Germany under Fascist attack the people were turning again to the principles of Socialism. Russia, which had had an unusually dark Winter in spite of a high degree of success in its five-year plan in industry because of the great difficulties in agriculture under the new scheme of things, was, by the Autumn of 1933, again in a stronger position. A good crop had saved the situation internally and the skill of Soviet diplomacy and the weakness of its enemies had lessened the fear of European or American attack on Russia. American recognition of Russia, fifteen years too long delayed, was a distinct contribution to peace and perhaps prosperity. The troubled world is not without hopeful signs. We are not condemned to fatalistic despair.

Yet there is no denying that the average man in 1933, who has escaped the fanatic hopes of extreme Hitlerite Fascism or possibly of extreme Communism, looked about his world with anxious bewilderment and many forebodings. Many of the things which once he had accepted, at least theoretically, much as he accepted the rising and the setting of the sun, were no longer to be acknowledged by him as among the eternal verities. His religion, if he had kept it, did not begin to mean to him what it had meant to his fathers. Science, which in the first decade of the twentieth century had been associated in his mind and his elder brother's with rational illumination and assured material progress, had become more bewilderingly metaphysical to him than religion itself. In its application to material things it had brought not progress but unemployment, economic insecurity, and the possibility of something like a collective act of suicide in the event of a new war. Democracy, for which he fought or thought he fought in 1917, had been rejected in nation after nation as no blessing. Peace, the average man still craved, but he could scarcely save himself from the repercussions of the extraordinary propaganda, first of a Mussolini and then of a Hitler, to the effect that peace itself is essentially ignoble. Tolerance too, that virtue which was so often praised and so uncertainly and sporadically practiced, had to fight new battles for its place among the social values. The revival of a more than medieval intolerance, symbolized in its extreme form by the lurid flames



which went up from Hitler's bonfire of books in Germany, is an outstanding phenomenon to be reckoned with in every program. The half-gods have all but gone, the gods have not arrived.

Yet the march of events does not wait for us to find new gods for old. In the midst of our perplexities we are being rapidly swept onward to action which may determine the fate of generations. We shall be worse than cowards if we sit supinely by. We are not destined either to salvation or destruction regardless of what we may do ourselves. Hence the extraordinary importance for us, especially here in America, to whom in all probability there is a degree of respite from the buffetings of fate not granted to all our European brethren, to explore the situation; to see what choices are possible and how these choices may be made effective.