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MONROE'S BRILLIANT EDITOR "PASSES" THIS PAPER'S LEADING ARTICLE OF JULY 15

An Open Letter to the Editor of the State's Voice In Response to His Invitation to Readers; Question to Be Answered Is Why Poverty Increases as Fast as Progress

(By R. F. BEASLEY.)

Mr. Peterson, editor of The State's Voice, Dear Sir: I see that when you turned loose your editorial broadside in the last issue you invited any one who disagreed with you to write a piece disproving any of the argument he found faulty. And in case any one found the argument satisfying he was invited to say so. You took a right hefty topic, "Lopping Off Branches of a Noxious Plant Not Enough; A Discussion of the Economic Principles Justifying President Roosevelt's Demand for Taxes on Large Incomes, Inheritances and Gifts." Any man who can plow a furrow through as big field as that and not get tangled up before he gets to the end of the row deserves some commendation. And I am writing, not to dispute any part of your argument, but to commend your successful venture through the barbed wire entanglements. I once heard of a man who was very proud of having made a speech in which he said he had used words that nobody knew the meaning of. Your argument can have little meaning for about 99 out of one hundred readers, but that is not the fault of the argument. It is due to the general lack of ability for abstract reasoning. People who have time to read it can not understand what you are driving at, and those who might understand will not take the time to study it. This is the difficulty that has ever been encountered by those who tried to sift things out to the bottom and make them work. It makes things go as they do. And in our country and time when everybody knows more than anybody else we have a great deal of sound and fury which we call enlightenment but which is principally noise. The only compensation to a logical mind is that its owner feels a satisfaction in having worked out something for himself that is satisfying to himself. But, as some one said in a short story the other day about a man being a gentleman, that gets you nowhere.

Your manufacturer, Mr. Barringer, who has decided that the burden of interest is the chief evil of the times, got a great truth by the tail, but you successfully showed him, I think, that the tail is of very little consequence unless the hide goes with it. I have a subscriber and correspondent, who like Mr. Barringer, insists that interest is the chief sin. But he never could convert me because I felt that he was only pulling the tail of something much bigger and unless we could get hold of that it would not make much difference whether interest were charged or not. I felt towards his argument just like I felt towards one you have made to me in my home on the occasion of your visits. Your argument was about the volume of money and its rapidity of circulation. Something in it, but not much of great consequence taken separately. But now you see a much larger picture—the whole picture of society as it moves along from year to year, and not just a few individuals.

This inability to see society as a whole and not as a lot of individuals struggling against each other, is the chief weakness of the times, it seems to me, and especially of those who want to do something to correct some of the manifest weaknesses. It is splitting us up in groups, each group striving as individuals strive now to get ahead on the shoulders of some other. I have often thought if it were possible to give every reformer everything he thought he wanted we would still have no general and wide improvement, because they would largely offset each other. Most people are incapable of abstract reasoning and for that reason we have no leaders who become interested in going to the bottom of things and seeking to find out if there are not a few general and fundamental principles, which, if they could be found and applied, would wipe away most of our social and economic difficulties like the sun scatters the morning mists. But leaders are not interested in

these because they cannot get a following. The average man wants a Huey Long who will give him his share at once. And the man who tries to explain that Huey can't do it no matter how loud he shouts, gets no hearing. He is then compelled to oppose Huey with Huey's own weapons, and in the conflict the truth of the matter is never found out. For that reason nothing much can be done at once, but only a little step here now and one somewhere else some other time. But I hold that if we can make political democracy fool proof long enough it will in time and gradually stumble upon enough economic truth to revolutionize society. That's why I am for political democracy, for nothing else has ever worked and it is our only hope. I think we are stumbling forward right well now.

But it is an uphill business. Mr. Roosevelt heads in the right direction and, I believe, with great sincerity of purpose and devotion of heart, and that he does not try too much and so become impatient, is in his favor. You are right, in my opinion, that his old age pension idea is sound, but that the plan of pensioning employees out of savings tends to frustrate the very thing he wishes to see done. But am I to desert him on that account? No. But that is what he is going through with now. Some will desert him because they are not getting everything at once, others because they are getting something that they don't want. Many a farmer is against Huey because he didn't get as large an acreage as he wished. The Townsend pension people are preparing to desert him because they don't get \$200 per month. You would expect people who think they stand to lose some of their privileges if a better state of society were brought about would be against him. But the tragedy is that the greatest desertions will be among those whom he is really hoping to help.

There has been but one political philosopher in this country who sought to brush away the trash and go to the bottom of things. He saw that there was something in this state of society which we call progress which inherently multiplied poverty on the one hand while it engenders and solidifies great wealth on the other. So he called his great work "Progress and Poverty." He stripped the fallacies from the old political economists and were he living today would strip them as well from the present ones. So powerful was his thesis that wholesale poverty increases pari passu with the introduction of all the beneficent improvements and inventions and in spite of them, that his contention arose to the plane of moral indictments against things as they were and are. And so precise was his reduction of the entanglements of the times to fundamental principles, that fifty years ago he perfectly described the present depression which came long after he was dead. So far as I know he was the first man to point out the fact that society cannot live in the future on what it produces in the present, nor in the present on what was produced in the years gone by. If a man would once get hold of that idea, as you have done, he would be ready to begin some real thinking. But alas, they will not do it, and the blind are the most vociferous leaders of the blind. But why poverty increases with progress is the question we have got to answer. You contribute much to the answer.

You say, "let all production stop this hour and rich America cannot live two years with any degree of comfort. Yet there are probably hundreds of billions of dollars of existing currency and credits laid away, as WEALTH, mind you—enough to feed and clothe the holders for many years, provided that at all times it be redeemable in real wealth." That is true. And because we go on from year to year, the people who have managed to get hold of the credits, which have come

from a denial of consumption out of the present production, are able to take all that their credits represent out of future production. And that part they take out of future production will have been produced not by the present but by the future workers, who, in giving it up will receive as a whole no quid pro quo. As you say, what people save is not wealth, but credits with which they will take wealth from the future. It is now esteemed a virtue to save credits, as in life insurance. Yet this saving of credits chokes down production in the present, so that labor, ready to produce more and more, cannot function. There is no demand for labor. The supply exceeds the demand though millions are without the things they need. The other day the life insurance companies turned over to Mr. Rockefeller five million dollars because he had reached the age of expectancy. This money was collected from the millions of policy holders who skimmed to save and pay their dues. This is a perfect example of the fact that as we are at present operating a thing which may be good for an individual may become very bad for society as a whole. An individual is bound to take insurance, because there is no other means to provide for the future. But when all take of the production of wealth in the present and deny themselves the means to produce more, they deny themselves the means to live.

But I must stop somewhere. Mr. Peterson, Your general idea that we should produce a plenty for this year's needs and use it this year, and have a means of guaranteeing that while we are producing a plenty for next year, every one will be provided for, is sound, I think. That the income taxes is the best present method of starting is sound and if carried to the right extent, accompanied by old age pensions, and the employment of the people by the government in holding up and preserving the natural resources of the country, will go far on the road. If the people would just stand by Mr. Roosevelt on these propositions for the present, everything would take care of itself in time. But I look for them to be shooed away by the Huey Longs, the old standpatters, the ignorant Democrats, and the others who are now in full cry on his heels.

This question of why poverty increases in the presence of actual plenty and potential abundance has got to be answered or political democracy will bust all to pieces. You can't put power into the hands of people and deny them bread without an explosion. And because as yet our people do not turn to the disaster of physical violence, the obligation is heavy upon the leaders to show them the right way to exert their political power. This obligation is not being met today, either through the ignorance of our leaders or through their lack of understanding of the terrible disaster which awaits a failure to show them the lead. The moment that times began to get a little better the complacency of the leaders began to reassert itself. We see the roads lined with new automobiles and forget that there are still millions who do not have enough to eat for themselves and their families. That part of organized society which is well fixed seems to feel no obligation to give them jobs and many of its spokesmen are now lambasting the government for raising money to give them enough to keep soul and body together. Men who should be trying to solve the main problem are wasting their breath in dribbling and warning against hair-brained measures which they choose to call socialism, communism, destruction of the constitution, and what not. Give men like Mr. Hoover everything they ask for and society would still be faced with the dire question of the increase in poverty with every new invention designed to help mankind. Such men are no better fitted to lead to the light of day than the Huey Longs. They both lead into the ditch.