

Liberalism Series - Abstracts

Conservatism and the New Deal - Walter D. Fletcher - October 25, 1934

At the present time there are two schools of thought--those that are in accord with the policies of the New Deal, and the increasing minority that cannot agree. The New Dealers complain that the conservatives have given nothing but criticism, but the facts show that very little advice has been asked.

The criticizers of the New Deal are, on the whole, citizens who are loyal to the principles of government which have survived many wars and financial panics. There is no reason why, under these principles, we should not be able to feed, clothe, house, besides giving liberty and a job to everyone. Should we cast them aside for pure experimentation?

The constitution is for permanency and has lasted long. If we tear it down we cannot long survive the waves of radicalism. There is much that should be changed, but it should be done slowly, instead of throwing the whole away. Salvation depends on recognition of the good inherent in our tradition.

Let us look into the policies of the New Deal. The NRA starts with the idea that there is an emergency, and the president was given powers under the Emergency Act. It is he who is responsible if the power given under this act is misused.

The act could have succeeded but it has failed miserably. The causes of its failure have been the inexperience, and the lack of ability on the part of those who formed the codes. If the government decides to be paternal, as it did in this act, it is no excuse to say that the project is a difficult undertaking. The government should be prepared to take the responsibility from those used to it.

Now when, after much delay, the codes are in effect, we find that Mr. Johnson has resigned, and that the government has decided to overhaul the whole thing.

The NRA has done no good, interfered with business, been expensive, and mixed the legislative, judicial, and administration functions in a way which the constitution never meant them to be mixed.

The United States government has gone into competition with other industries. This competition is not a fair one, as the government-owned industries have no need to pay taxes, and have certain privileges which private corporations have not. Then too, these corporations do not need to worry on which side of the ledger their accounts are, as, in case of a deficit, taxpayers will pay the necessary difference.

Agriculture even before the depression was a serious situation. But the problems which had given people trouble for years did not disturb the new government. They limited production and the government paid money for this limitation. The real question to be asked about the A.A.A. is when is the government going to stop paying?

When the government went into banking they were not as interested in a new banking system as in the bankers' private affairs. The Securities and the Banking Act were issued against the bankers of Wall Street. By these acts the government sought to control the financial affairs of this country. What has happened is that the bankers are afraid to profit by the expansion of credit because of the severity of the laws. And because the bankers do not take the credit the government threatens to do it for them. This would mean more competition by the government.

While it is true we must help the poor, we cannot continue to pour out billions for various undertakings which come to little or nothing. Taxes are already burdensome, and they will, at this rate be even heavier for our children and grand-children.

We have much to fear today, and this fear is a much more depressing one than before--the fear of chaos and insecurity. To combat this fear we must return to the constitution, and we must have both ability and thrift in government. Otherwise there may soon be no answer to the question, "What are we going to do next?"

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