

A CONSERVATIVE PROGRAM FOR A KINDER, GENTLER AMERICA

by Russell Kirk

Today I offer you some observations concerning Wilhelm Roepke, a principal social thinker of the 20th century — and, incidentally, the principal architect of Germany's economic recovery at the end of the Second World War. His books are out of print in this country at present, but I plan to reprint in a series that I edit, *The Library of Conservative Thought*, his study *The Social Crisis of Our Time*, and later other books of his. And to my remarks on Professor Roepke, I shall add certain related reflections of my own.

Roepke was the principal champion of a humane economy: that is, an economic system suited to human nature and to a humane scale in society, as opposed to systems bent upon mass production regardless of counterproductive personal and social consequences. He was a formidable opponent of socialist and other "command" economies; also a fearless, perceptive critic of an unthinking "capitalism." Although German by birth, during the Second World War, Roepke settled at Geneva, where he became professor of economics at the Graduate Institute of International Affairs. There he wrote *Civitas Humana; The Social Crisis of Our Time; Economics of the Free Society; The Solution of the German Problem*; and the essays included in the volumes *Against the Tide* and *Welfare, Freedom, and Inflation*. The title of his last book, *A Humane Economy*, which was published in America, was suggested by me.

A gentleman of high courage and a sincere Christian, Roepke set his face against both the Nazis and the communists. He was intellectually and physically vigorous: an accomplished skier, he always climbed back up the mountainside, rather than riding a chair-lift. Knowing that man is more than producer and consumer, Roepke detested Jeremy Bentham's Utilitarianism and found that most of his fellow economists perceived human existence imperfectly, being blinkered by utilitarian dogmata.

Opposing A Malign Power. Before turning to Roepke's arguments, I venture to offer some background of his thought during the disorderly period that followed upon the Second World War, a time during which the idea of grand-scale social planning exercised a malign power. Roepke was the most effective opponent of that *Plannwirtschaft*.

That highly speculative division of knowledge, which our age calls "economics," took shape in the 18th century as an instrument for attaining individual freedom, as well as increased efficiency of production. But many 20th century teachers and specialists in economics became converts to a neo-Jacobinism. (Burke defines Jacobinism as "the revolt of the enterprising talents of a nation against its property.") Such doctrines of confidence in the omniscience of the state in economic concerns came to predominate in state polytechnic institutes and state universities especially. Quite as 18th century optimism, materialism, and humanitarianism were fitted by Marx into a system that might have surprised a good many of the *philosophes*, so 19th century utilitarian and Manchesterian

Russell Kirk is a Distinguished Scholar at The Heritage Foundation.

He spoke at The Heritage Foundation on April 27, 1989.

ISSN 0272-1155. ©1989 by The Heritage Foundation.

concepts were the ancestors (perhaps with a bend sinister) of mechanistic social planning. The old Jacobins scarcely realized that their centralizing tendencies were imitative of the policies of the “old regime”; so it is not surprising that recent humanitarian and collectivistic thinkers forget their debt to Jeremy Bentham. Yet the abstractions of Bentham, reducing human beings to social atoms, are the principal source of modern designs for social alteration by fiat.

Planners’ Distorted Perspective. At the end of the Second World War, centralizers and coercive planners were mightily influential in Western Europe and in Britain, and they were not missing in the United States. The modern nation-state enjoys effective powers of coercion previously unknown in political structures. But the increase of coercion frustrates the natural course of development; economic theory as a basis for state coercion has repeatedly proved fallible; “planning” destroys the voluntary community and tries to substitute an ineffectual master plan (as, most ruinously, in Iran under the Shah); the goals of state action should be primarily moral, not economic; and thus the whole perspective of social planners is distorted. In opposition to the dominant school of economic theory just after the Second World War, such economists as Roepke, W. A. Orton, F. A. Hayek, and a handful of others strove to restrain the economic collectivists.

Although he proved himself very competent to deal with the vast postwar economic difficulties of Germany, a major industrial country, Roepke nevertheless much preferred the social and economic patterns of Switzerland, where he lived from the triumph of Hitler until the end of his life. His model for a humane economy can be perceived by any observant traveler in Switzerland.

Professor Roepke and I once conversed about the Swiss town of Thun, at the foot of Thunersee, enormous peaks looming above the town, and the beautiful long lake stretching southward from Thun’s miniature harbor. At Thun one perceives the Swiss achievement in dealing with the problem of social tranquility — and in reconciling the old world with the new.

Swiss Success. From the railway station at Thun you cross the river, make your way through twisted streets between very old but perfectly preserved houses, and presently reach the steep hill on which stand the square-towered *schloss* and the old church. From the battlements of the *schloss*, you look down upon the remains of the city walls, the venerable *rathaus*, and all the immaculate prosperity of a prospering Swiss municipality. And then your eye discovers that Thun is also an industrial town of some importance, for across the railroad tracks are factories and warehouses, busy as the old town is sedate. Here is an industrialism that has not blighted the traditional life of a society. There can be few regions more pleasant for the industrial worker than Thun. Eat at a cafe frequented by workingmen, and you are surprised by the cheerfulness, cleanliness, and good appearance of the place — which serves highly satisfactory food. Zurich, Basel, Fribourg, Bern, and other places much larger than Thun also have been successful in keeping their industrial life decent — in contrast with what industrialism has done to British, let alone American, cities.

I have mentioned Thun because it illustrates well enough the embodiment of Roepke’s idea of a humane economy. Now permit me to turn to Roepke’s thought.



Roepke seemed to have read everything. He was familiar, for instance, with the social ideas of John Calhoun and James Fenimore Cooper, concerning which most U.S.

professors of economics are densely ignorant. Wilhelm Roepke knew the insights of religion and poetry, the problems of history and morality. His book, *The Social Crisis of Our Time*, is at heart an analysis of the menace that Roepke called "the cult of the colossal." Social equilibrium has been overthrown in our age, Roepke knew. Here are some moving sentences of his concerning that grim subject.

Men having to a great extent lost the use of their innate sense of proportion, thus stagger from one extreme to the other, now trying out this, now that, now following this fashionable belief, now that, responding now to this external attraction, now to the other, but listening least of all to the voice of their own heart. It is particularly characteristic of the general loss of a natural sense of direction — a loss which is jeopardizing the wisdom gained through countless centuries — that the age of immaturity, of restless experiment, of youth, has in our time become the object of the most preposterous overestimation.

Of all our afflictions, Roepke continues, the product of moral decay, of consolidation, and of the worship of bigness, the worst is proletarianization. Capitalism may have introduced the modern proletariat, but socialism enlarges that class to include nearly the whole of humanity. Our salvation, Roepke argues, lies in a third choice, something different from either ideological socialism or doctrinaire capitalism. He writes:

Socialism, collectivism, and their political and cultural appendages are, after all, only the last consequence of our yesterday; they are the last convulsions of the nineteenth century and only in them do we reach the lowest point of a century-old development along the wrong road; these are the hopeless final state toward which we drift unless we act... . The new path is precisely the one that will lead us out of the dilemma of 'capitalism' and collectivism. It consists of the economic humanism of the 'Third Way.'

Restoring Local Institutions, Choices. Roepke's "third way" is not "gas and water socialism" or consumer cooperatives or a managed economy. Instead it is economic activity humanized by being related to moral and intellectual ends; humanized by being reduced to the human scale. Roepke proposes to abolish the proletariat, not by reducing everyone to proletarian status, the method of socialism, but by restoring property, function, and dignity to the mass of men. His ideas, although not new, are put with a clarity, practicality, and assurance that other people who wish to simplify and decentralize the economy sometimes lack. A liberal in the tradition of Tocqueville, Roepke believed in the restoration of local institutions and local choices, not in a centralized bureaucratic elite. He desired a society with reverence, stability, personal rights, and manners; he saw that, if we do not restore such a society, presently we may have no civilized society at all. The work of the French Revolution must be undone, he reasoned, not to reinstate a rule of force, but instead to recognize order and authority, established by prescription and consent. Society cannot be organized, he wrote, "in accordance with rational postulates while disregarding the need for genuine communities, for a vertical structure."

That same infatuation with "rationalism," which terribly damages communal existence, also produces an unquestioning confidence in the competitive market economy and leads to a heartless individualism which, in Roepke's words, "in the end has proved to be a menace to society and has so discredited a fundamentally sound idea as to further the rise of the far

more dangerous collectivism." In such a world, where old landmarks have been swept away, old loyalties ridiculed, and human beings reduced to economic atoms, "men finally grasp at everything that is offered to them, and here they may easily and understandably suffer the same fate as the frogs in the fable who asked for a king and got a crane."

In his chapter, "The Splendor and Misery of Capitalism," Roepke examines succinctly the maladies of our current economy and observes that the same economic disharmonies become chronic under socialism. Then he turns to the second part of *The Social Crisis of Our Time*, entitled "Action." Roepke there instructs us:

Socialism — helped by the uprooted proletarian existence of large numbers of the working class and made palatable for them by just as rootless intellectuals, who will have to bear the responsibility for this — is less concerned with the interests of these masses than with the interests of those intellectuals, who may indeed see their desire for an abundant choice of positions of power fulfilled by the socialist state.

Healthy Roots. Roepke relishes this class of persons as masters of society even less than he does the monopolists and the managers. His object is to restore liberty to men by promoting economic independence. The best type of peasants, artisans, small traders, small and middle-level businessmen, members of the free professions and trusty officials and servants of the community — these are the objects of his solicitude, for among them traditional human nature still has its healthiest roots, and throughout most of the world they are being ground between capitalistic specialization and socialistic consolidation. They need not vanish from society; once more, they may constitute the masters of society; for Switzerland, in any case, "refutes by its mere existence any cynical doubt regarding the possibility of realizing our program."

Loathing doctrinaire rationalism, Roepke is careful not to propound an arbitrary scheme of alteration and renovation. Yet his suggestions for deproletarianizing are forthright. Family farms, farmers' cooperatives for marketing, encouragement of artisans and small traders, the technical and administrative possibilities of industrial decentralization, the diminution of the average size of factories, the gradual substitution for the "old-style welfare policy" of an intelligent trend toward self-sufficiency — none of these projects is novel, but they are commended by an economist possessing both grand reputation and sound common sense. Roepke saw no insuperable difficulties. To cushion society against the fluctuations of the business cycle, for instance, the better remedy is not increased centralization, a very dubious palliative, but instead stimulating men to get a part of their sustenance from outside the immediate realm of financial disturbance. Specialization often works mischief, he says:

The most extreme examples of this tendency are perhaps some American farmers who had become so specialized and so dependent on their current money incomes that when the crisis came they were as near starvation as the industrial worker. At the other, more fortunate end we see the industrial worker in Switzerland who, if necessary, can find his lunch in the garden, his supper in the lake, and can earn his potato supply in the fall by helping his brother clear his land.

Roepke told me once, apropos such alternative means of subsistence in industrial society, of an amusing exchange between himself and Ludwig von Mises — who, though agreeing

with Roepke in a good many matters, was a disciple of Jeremy Bentham in his utilitarianism. During the Second World War, the city of Geneva had made available to its citizens plots of ground along the ring around the city where the ancient walls had stood. On these allotments, in time of scarcity of food, the people of Geneva, particularly the laboring folk, could cultivate vegetables for themselves. These allotments turned out to be so popular, both as recreation and as a source of supplementary food, that the city continued to make this land available to applicants after the war was over.

Producing Human Happiness. Now Mises, who had been professor years before at the Geneva Institute of International Affairs, came to visit Roepke in Geneva, about 1947. Happy at the success of these garden allotments, Roepke took his guest to see Genevan workingpeople digging and hoeing in their gardens. But Mises shook his head sadly: "A very inefficient way of producing foodstuffs!" he lamented.

"Perhaps so," Roepke replied. "But perhaps a very efficient way of producing human happiness."

Humanizing of economic structure was the kernel of Roepke's proposals. They are not detailed in Roepke's book, *The Social Crisis of Our Time*, nor buttressed by tables of statistics. But they are cheering. In Wilhelm Roepke's pages, political economy has an ethical foundation; and it is made clear that the purpose of industry is personal security.

Roepke was no apologist for an abstraction called "capitalism" — a Marxist term, incidentally, foolishly pinned to themselves by numerous vain glorious champions of economic competition. He knew that the worship of Mammon is ruinous.

Florentine Reception. Because of his independence of thought, Roepke's influence extended to some curious quarters. A few years after the war, Roepke was invited to Florence, where some distinction was to be conferred upon him. Descending from his railway coach at the Firenze station, Roepke was greeted by dignitaries and escorted by mounted carabinieri to the Palazzo Vecchio. There he was received enthusiastically by a great throng of the rank, fashion, officialdom, and intelligentsia of Florence. This crowd parted abruptly to make way for some personage who was hurrying toward Roepke on the dais. The man approaching him was fantastically dressed in unusual colors, fat, gesticulating, and effeminate seeming. This person seized Roepke's hands, kissing them ardently. "Maestro! Maestro!" he murmured; then bowing low, he retired backward into the assemblage.

Roepke had been astonished at the splendor of this gathering in the Palazzo Vecchio; he was yet more surprised at the adulation of this odd personage. "Who is that gentleman?" he inquired of his hosts.

"Why, don't you know him, Professor Roepke? He is your disciple, the man who invited you to Firenze and arranged this ceremony. He is the Chief for the Communist Party in Firenze."

Italian communists notoriously differ from their comrades in most of Europe; already, at the time of Roepke's visit, they were endeavoring to seem almost bourgeois. Perhaps their Florentine chairman may have perceived in Roepke an economist fruitful in means, however much their ends might differ. Yet Roepke, who had been a fearless opponent of the Nazi regime, assailed the communists with equal intrepidity.

At Florence, as elsewhere, Roepke spoke of the human condition and of how we might win our way back to a humane economy. Three decades later, we have lost ground in this

endeavor. Washington, London, and Moscow are even more obsessed by the Gross National Product than they were in the 1950s, although the paper statistics of the GNP have not produced contentment or stability, and the terrorist walks abroad. There comes to mind the legend inscribed on a chateau's sundial in 1789: "It is later than you think." The nexus of cash payment, never a strong social link, does not suffice to keep down fanatic ideology or even to assure prosperity.



Permit me now to shift the scene to the U.S., and the time to half a century ago, on a June morning. I was then a guide at Greenfield Village. There came up to me, unexpectedly, a tall but stooped old man in a black suit and a sailor hat — my employer. He knew my face, but not my name; in that I had the advantage of him, for I was aware that his name was Henry Ford. He took me into the little brick shed where he had constructed his first automobile, and there he told me of those days in 1893 — told me with satisfaction, yet satisfaction tinged with uneasiness, as if he wished to be sure of the approbation of the young — "It don't seem long since I built it." He glanced out the window at his enormous museum of a dead America, Greenfield Village, which encompassed us; and then he stared across the wooded acres of his lands toward the stacks of the Rouge Plant, hemmed about by the ugly streets of East Dearborn and Melvindale and River Rouge. In those flatlands, once, he had been a farm lad; and now he had obliterated, without willing it, the country he had known as a child, except for this lifeless sanctuary within brick walls. In his heart, I suspected then, was doubt. The economy he had created was inhumane.

Sense of Community. I mention Henry Ford in this connection not because I mistake him for a conspicuous example of the inhumane capitalist, but rather, because he retained some sense of community and some respect for our cultural patrimony. At large expense, he had undertaken several attempts toward reconciling the old rural order with the new urban industrial life. For one thing, he had purchased and restored water mills in small towns of southern Michigan — Plymouth, Nankin Mills, Waterford, and elsewhere — with the intention of maintaining industrial employment on a humane scale and nurturing smalltown life. He made available small garden plots near these mills to Ford employees who might wish to cultivate their own vegetables and flowers; at the Plymouth mill, my uncle, a Ford chemist, was the only person to request and work such a garden. Although doubtless Henry Ford would not have employed the word "proletarian," these experiments were meant to help factory hands keep from sinking into a proletarian condition. But all was abandoned at Ford's death; and the Ford Foundation, inheritor of most of his great wealth, has wasted its benefactions in grandiose abstract schemes that do nothing to humanize the economy.

All my life I have known the city of Detroit, called during World War II "the arsenal of democracy." In Celine's famous novel *Journey to the End of Night*, the journey terminates at Detroit. In the shocking decay of that great city nowadays, we behold the consequences of an inhumane economy — bent upon maximum productive efficiency, but heedless of personal order and public order. Henry Ford's assembly-line methods had much to do with the impersonality and monotony of Detroit's economic development; and so, in some degree, did Ford's concentration of his whole productive apparatus at the Rouge Plant; but of course Henry Ford had no notion, in the earlier years of his operation, of what might be the personal and social effects of his highly successful industrial establishment; nor did the other automobile manufacturers of Detroit. Indeed, they seem still to be ignorant of such unhappy consequences, or else indifferent to the consequences, so long as profits continue to be made. Consider the wiping out of Poletown through the unholy alliance of industrial,

