

**CONTROL  
FROM THE TOP**

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**FRANCIS NEILSON**

# CONTROL FROM THE TOP

BY

FRANCIS NEILSON

*Author of "How Diplomats Make War", etc.*

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A TIMELY BOOK ON A TOPIC WHICH  
AFFECTS US ALL



“ . . . one of the great party ships of the state has lost its moorings and is drifting rapidly onto the rocks of socialism.”

“ . . . it would be the height of folly to trust too implicitly to the legislative proposals of honest men because they are merely honest.”

**CONTROL FROM THE TOP**

*BY THE SAME AUTHOR*

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HOW DIPLOMATS MAKE WAR  
(also in Swedish, German and French)

DUTY TO CIVILIZATION  
(also in German)

THE OLD FREEDOM

THE ELEVENTH COMMANDMENT

BLATCHFORDISM AND ESSAYS ON SOCIALISM

CONTROL  
FROM THE TOP

By FRANCIS NEILSON



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"Why should Russians have all the fun of remaking a world?"

STUART CHASE, "A New Deal," August, 1932.

". . . everywhere, from fields, factories and industrial plants, masses of workers goaded to desperation by hunger and poverty, form roving hordes, seeking some unknown place which may yield the primary needs of life."

*The Times*, London, July, 1933.

"The discovery of ability is, in itself, something of a science. This is the expertness about expertness to which allusion has already been made. One difficulty about this science, as about so many others, is that its limitations are not seen with sufficient clarity so that what is done is distinguished from what is not done."

R. G. TUGWELL, "The Industrial Discipline," 1933.



## INTRODUCTION

AFTER six months of almost unceasing change in the policies of the administration at Washington, it is amazing to find that Mr. Roosevelt has an excellent press. No matter what differences of opinion there may be as to the wisdom of the policies and the difficulties of arranging codes to suit different trades, there is little or no adverse criticism of the ideals and aims of the President. It is somewhat different with his advisers and the new army of bureaucrats gathered at Washington, for great uncertainty increases every day as to the fitness of these people for the job of devising schemes for putting the country on its industrial feet again. The faith of the people placed implicitly in the President does not seem to extend to his advisers. It is a curious situation, one without precedent. On the one hand, there seems to be a desire to relieve the chief executive of all responsibility, and, on the other hand, to place it squarely on the shoulders of the Advisory Privy Council.

Following closely, day by day, the press reports, one finds an increasing desire on the part of the critics of the schemes to absolve the President from blame for the difficulties which arise. He seems to be called in when the administrators have entered a cul-de-sac and have to

be turned right about face and led out of it. This he does with extraordinary success. Out of this situation there comes what seems to me to be a growing sensitiveness on the part of administrators and advisers to criticism. There is a notion abroad that the blame for all hitches, delays and obstacles so far encountered in putting the schemes into practice should be placed not upon the executive, nor upon the administrators and advisers, but upon industrial managers, the people who have generally shown an almost lamb-like disposition to take everything lying down. Now, this is not fair; for it can be shown quite clearly, and is shown frequently in the trade papers of the country, that, in numbers of cases, the policies so far launched by the government have been afflicted with all the consequences of haste and want of mature consideration.

All this was to be expected, for panic legislation never did more than alleviate a momentary crisis. If industry is to blame for anything at all in this matter, it is undoubtedly for its thoughtlessness in subscribing to policies without due consideration of their provisions. The change in thought that has taken place since July is quite sufficient to explain why heads of departments and advisers have become so sensitive to criticism. Nothing was easier than gaining support for theories about overcoming the depression. The whole community was ready to accept any bearing the stamp of political authority. But when it came to the business of transmuting these theories into practice, quite an-

other attitude of mind was created, and, from whole-hearted support of the theory, the general public passed, as it met the difficulties of putting the theories into practice, to one of doubt as to their wisdom.

This, too, was to be expected, and now that the public learns almost every day that the administrators and advisers themselves declare their misgivings and uncertainties, is it any wonder that admonitory editorials appear frequently in the journals about the absurd trustfulness of captains of industry and great financial magnates? The editorial mind is quick now to appreciate the currents of thought which affect the public temper. Editors sense, as it were, what the people feel but can scarcely express.

It has been seen in recent weeks that, in trying to put the provisions of the codes into practice, in certain industries a remedial dislocation in one place has created the need of a remedial dislocation in another. Administrators are learning that the conduct of business is always an intricate affair, and that there is no such thing as one pattern for all industry. Businesses are made in their own molds, and even in the manufacture of brass-headed nails, no two factories turning out these articles are alike in conduct and conditions. In attempting to remedy defects in the minimum wage paid and the length of hours worked in a factory, many other defects might be created which are beyond remedy if the business is to be kept going. It is all very well and good to talk about chiselers and cheats; no

doubt there are some. But when a system that has been in vogue for generations permits a state of affairs such as the codes would change, it ought to be recognized that there may be thousands of cases of helpless factory owners and managers who cannot be held responsible for the defects of the system. Here is the crux of the problem; and it is because the advisers of the President have not understood the system that most of the difficulties met in putting their policies into practice have been brought about.

Still, notwithstanding all the complications which have arisen, the people are solidly behind Mr. Roosevelt. But industrialists who were stunned for a while when they realized what it meant to sign on the dotted line, are now waking up, and asking how it has all come about. It is rather late in the day for such a question, but it can be answered. There is ample evidence of how it came about; for the plans to socialize industry in this country are to be found in many books published in recent years—the depression books, written by professors of economics, sociologists, and publicists of various socialistic schools. I read an article the other day in a trade paper, asking if what is taking place is not part of a deeply laid conspiracy to bring industry and finance under the control and management of government. It looks like it; and support of this notion can be found in many works given to the public in the past two years. There are Messrs. Berle and Means' "The Modern Corporation and Private Property," Mr.

Chase's "A New Deal," Mr. Soule's "A Planned Society," Dr. Tugwell's "The Industrial Discipline," and other books. And I purpose here to take some of these works and examine the ideas of the authors, submit them to analytical criticism, and show what they are worth. If I can show that they are untrustworthy guides in their literary efforts, and that they have only, at best, a nodding acquaintance with the subjects they deal with, the awakened industrialist and financier may realize, if they do me the honor of reading my findings, that one of the great party-ships of the state has lost its moorings and is drifting rapidly onto the rocks of socialism; and if it can be shown that these authors have not mastered the subjects they deal with in their books, then it should be easy to understand why their schemes so far put into practice have occasioned so many difficulties in trade.

There is an impression abroad, not for the first time, that men in power politically are to be trusted unreservedly because they are honest and their ideals are high; and with this impression there goes the edict that any criticism of the policies of these men is not only unkind but uncalled for. Members of the Cabinet and their supporters, to say nothing of the advisers and their supporters, have been at pains recently to discourage criticism of the government's policies; and some letters that have appeared in the press taking exception to comments of editors and other critics of the government, seem to imply that an honest politician must be

a wise one. Surely the history of politics shows as many instances of unwise policies initiated by honest men as stupid policies initiated by dishonest men. Years ago, it was considered essential for a government to have always a strong opposition. But that was long ago, in the healthy days of party strife. If a policy by an honest man, one well thought-out, is just in its bearings and far-seeing in its object, why should criticism be stifled? The day may come when an all-powerful government will take very strong measures against opponents—perhaps we are nearer that day than we think. But while there is sufficient freedom left for differences of opinion to be expressed, it would be the height of folly to trust too implicitly to the legislative proposals of honest men, because they are merely honest.