

“GLOBALIZATION”—when did it become a central tenet of conservatism? According to Deputy Secretary of State John C. Whitehead, it was in the New Deal era that the US “rejected isolationism and economic nationalism” in favor of the “globalization of our daily lives.” The text of Whitehead’s address to the September meeting of the Economic Policy Council of the United Nations Association was given wide circulation in December as a State Department policy paper on “Global Economic Integration.” In his remarks, Whitehead praised “the distinguished men who shaped our international economic policy in the 1940s—people like Cordell Hull, Harry White, William Clayton and George Marshall.”

The Reagan administration has spent a great deal of effort on behalf of global interdependence. That the President and his neoconservative foreign policy advisors drew their inspiration from Franklin D. Roosevelt is no secret. Mr. Reagan has said that he became a partisan of “free trade” in the 1932 election campaign, when FDR accused the Republicans of “causing” the Great Depression by adopting the Smoot-Hawley Tariff. Curiously, FDR’s Smoot-Hawley myth has become a standard line for Reagan administration globalists, and Whitehead dutifully used it. That it has no grounding in fact or logic, that it was merely a charge in a negative campaign that made the Willie Horton issue look like the high road, has not stopped its endless repetition.

Smoot-Hawley went into effect in 1931, well after the Depression had started (the stock market had collapsed back in 1929). Its focus was agriculture, which had been depressed throughout the 1920’s. The minor changes made in industrial policy were of no consequence. As America’s foremost tariff expert Frank Taussig wrote at the time, “The new duties on manufactured goods were mostly of a petty sort. . . . On the important branches of these industries the protective system had already been carried so far that no considerable further displacement of imports could be expected.” The

historical truth is that the US had always used protective tariffs and had become the world’s most powerful economy running perennial trade surpluses. Trade policy did not eliminate the business cycle—nothing can do that—but it did not cause it, either. It was the collapse of the banking system, not trade, that made the Depression so devastating.

It is disturbing when conservatives cannot come up with anything better than a half-century old Democratic campaign slogan to guide policy—especially when the country is in the midst of a techno-industrial trade war that will affect the worldwide distribution of production capacity well into the 21st century, with all that means for the international balance of wealth and power. But it is not the only disturbing element in Whitehead’s talk, for among the “distinguished” men the deputy secretary mentioned was the traitor Harry White.

Better known by his full name, Harry Dexter White had taught international economics at Harvard before becoming an assistant secretary of the Treasury. He was the father of the World Bank and became director of the International Monetary Fund in 1946. He was also a Soviet agent who, according to his wife, saw himself as a “revolutionary.” He was part of the same Soviet network that included Alger Hiss and Whittaker Chambers. When Chambers quit the Communist spy ring, he went to White in an attempt to convince him also to quit, but, like Hiss, White rejected Chambers’ plea.

Testifying before the House Un-American Activities Committee, White denied that he had ever met Chambers. But Chambers still had in his possession a handwritten memo of intelligence information that White had given to Chambers for delivery to the Soviets. Chambers left the spy ring in 1938, but another courier, Elizabeth Bentley, who did not leave the ring until after World War II, testified that White continued to pass secrets to Moscow. White died of a heart attack during the subsequent investigations. As stated in Allen Weinstein’s authori-

tative study, *Perjury: The Hiss-Chambers Case*, “White not only passed confidential data but also helped place influential Communists in sensitive positions within Treasury.” White was not just an espionage agent, but also an agent of influence attempting to move policy in directions that advanced his own peculiar notions of progress rather than the national interests of the United States.

Why would a high State Department official praise a Soviet spy? Did Whitehead feel that since his UN Association audience was composed of self-styled “citizens of the world,” resurrecting a traitor would impress them? Or was this just a gaffe resulting from historical ignorance, displayed not only by the deputy secretary but also by the State Dept. bureaucracy that cleared this particular speech for wider distribution?

We see now that our opening question “when did ‘globalization’ become a tenet of conservatism” is a trick question. From its intellectual lineage, it is clear that it has never been a tenet of any philosophy properly called conservative. Its sudden popularity testifies to the low state of historical understanding within the conservative movement.

—William R. Hawkins

**SCHOOL** decentralization was one of the few practical items on the New Left’s agenda of the 1960’s. It was a genuinely radical idea, since the entire history of public education in the US has been the steady progress of consolidation and centralization. Small districts were merged, time after time, into larger consolidated units, and power was inexorably shifted to the professionals who ran the district. What had once been local districts under democratic control turned into a nightmare of bureaucratic arrogance and ineptitude—a sort of gulag with a human face.

New York was supposed to be the proving ground for decentralization, but the arrest in November of the principal of P.S. 53 (an elementary school in the Bronx) has triggered a

mainly hostile reexamination of an experiment that has gone on for two decades. The indictment includes the usual charges of nepotism, political cronyism, ethnic politics, graft, and corruption, but the situation is aggravated, so the critics claim, by the power that has been transferred to the smaller district boards.

The whole argument is academic, since, in fact, New York public education was never decentralized. There are only 32 boards overseeing over 800 schools with over 650,000 students. The election was so complicated that many parents were deterred from voting, and the whole system was turned over to the political gangsters who run New York on a day-to-day basis.

To make matters worse, not only were the local boards supposed to control far too many schools, but they were never given the sort of real power over policies and personnel that would have spurred parents into taking an active role. In government there is no power that does not include control over the purse strings. The local councils were designed, more or less, as a sop to ethnic politicians who felt they weren't lapping enough of the fat off the government gravy. The only thing worse than the current system would be an increased involvement of the state government and that fearless defender of the rights of bureaucrats, Mario Cuomo. Inevitably, Mr. Cuomo has set up a New York state commission to review the problem.

None of New York's entirely predictable horror stories should deter the deconsolidation experiment underway in Dade County, Florida or the much-advertised Chicago plan due to take effect in July of 1989. Chicago is a strong contender for the honor of worst school system in the nation, which is some sort of indication that the "professionals" may not know what is best for our children. In a very important study released by the Heartland Institute and the United Republican Fund of Illinois, *We Can Rescue Our Schools*, incontrovertible evidence is presented to prove that smaller districts and parental control are among the most significant factors in determining a good school. The book, which is clearly written in a popular style, ought to be in the hands of every parent and taxpayer in the country. It is

available for \$1.75 (with bulk discounts available) from Green Hill Publishers, Inc., P.O. Box 738, Ottawa, IL 61350.

The Chicago plan avoids most of the pitfalls of the New York experiment. Each school will be governed by its own council, and six out of eleven council members must be parents of students and elected by parents. The biggest opponents of the plan were educational professionals who look upon parental involvement with fear and loathing. Much of the debate in Chicago turned downright racist, as the establishment attempted to give the impression that the city's entire black population consisted of teenage mothers and drug dealers. Leaders of (mostly black) parents' groups quite rightly objected. All they are asking for, they insist, is the chance to lend a hand in cleaning up the terrifying mess that enlightened bureaucrats have made.

But the politicians and sociologists who bray so loudly of democracy have no intention of granting power to the people. If democracy in America ever meant anything, it did not mean our elaborate system of influence brokering presided over by Congressional staffers, civil servants, and social sciences professors. It meant local control of local affairs and a stubborn refusal to let the government intrude too far into private life. Today, in the mouths of global democrats, it seems to mean something like the African system of "one man, one vote, one time." In 1932, by electing Franklin Roosevelt President for Life, we apparently declared that government by the government, of the government and for the government shall not perish from the earth. God willing, the people of Chicago—saddled with an abysmal educational system and a city government that brings Pulitzers to the reporters who cover it—may reclaim some small part of their American birthright. (TF)

**HUMAN RIGHTS PROGRESS** in the Soviet Union is the latest gimmick for headline writers. In just two months the Soviets have made such strides that on January 3, our outgoing secretary of state—with only two weeks left in which to make mischief—advised Ronald "Evil Empire" Reagan to go ahead with plans for a human rights

conference in Moscow in the year 1991. Even *The New York Times* conceded that "rights talks in Moscow would be an important achievement for Mikhail S. Gorbachev."

Mr. Schultz has never been conspicuous for his good sense, but if he prevails upon his President and his President's successor to eat this particularly unsavory crow, he will deserve some special recognition as the American Neville Chamberlain.

Dare I say we told you so last December? This human rights nonsense is bad enough as a cynical tool of American foreign policy, but it is one of those clumsy explosive devices that always manage to blow up the political hooligans who use it. On a purely practical level we have much to discuss with the leaders of the USSR on issues that involve the self-interest of both parties. Neither name-calling nor sentimentality is of any use in negotiations that call for a Metternich or a Bismark. (We're stuck with Cyrus Vance and George Schultz.) It was bad enough to exploit the victims of Soviet oppression as a pawn in our little diplomatic games, but as of January 3, 1989, the Soviet Union became a free country. What a difference a day made.

It is now up to George Bush (I never thought I'd be saying this) to restore some sanity to American foreign policy. If he persists in these childish experiments in human rights and global democracy, we shall all live to see the day when it is the US whose human rights record is the object of international obloquy. (TF)

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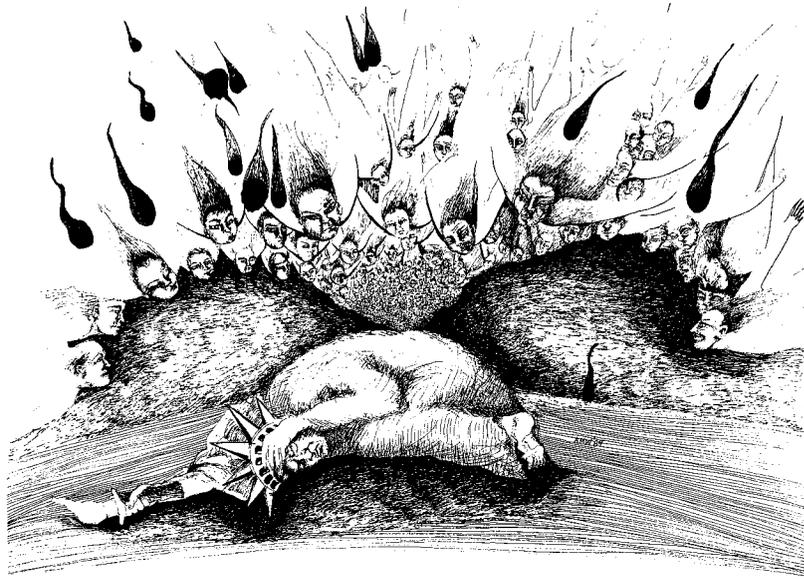
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MARCH 1989/7



## The Real American Dilemma

by Thomas Fleming

**A**merica is a nation of immigrants. How often is that declaration trotted out to explain why it would be immoral to do something about controlling immigration, as if every country were not a nation of immigrants. If Britain ever had an indigenous population, it was overrun by Celts, Germans, Danes, and Normans—to say nothing of the Hollanders brought over and ennobled when Dutch William drove his father-in-law from the throne. Almost any country, excepting the poor benighted Scandinavians, could tell a similar story, and the present condition of Sweden is as good an argument as I can think of against a restricted gene pool. (It is also a total refutation of the hilarious idea of Nordic supremacy.)

It is conventional to speak of the great contributions made by immigrants and at the same time to deplore the unpleasant reception they were given by the WASP population. No one ever seems to carry the argument back to the reception the Indians usually tried to arrange for European settlers pushing into their territories. We are all, even the Indians, descended from immigrants, and it is hard to pick which group has contributed most to the fabric of our civilization.

In some sort of descending order one would have to include the various British stocks, the Germans and Dutch, the French (especially the Huguenots), and the more recent arrivals from eastern and southern Europe. In addition, no account of American culture could leave out the strange and often strained relations between European Americans and the American blacks whose ancestors were brought here by force. Jazz, the blues, and rock music, all hybrids of the two stocks, could stand as a metaphor for our “peculiar”

relationship.

In recent years, however, while the main focus in the polite media has remained on the contributions and sufferings of hyphenated Americans, ordinary Americans are more concerned with the problems caused by the virtual flood of arrivals from the Third World. For some years now, legal immigration has been at an average rate of over 600,000 per year, while the number of illegals in this country is anybody's guess. In 1985 Richard Lamm and Gary Imhoff (*The Immigration Time Bomb: The Fragmenting of America*) estimated eight and a half to eleven million, mostly from Latin America.

Immigration reform was the great issue of the Reagan years that never really took shape, and it will be up to Mr. Bush, the Congress, and above all to the opinion industry to settle the future of the United States. There was a debate, of course, and one celebrated bill that didn't make it (Simpson-Mazzoli) as well as the version that did, but most of the discussion was safely trivial: whether or not to tighten up the border controls and send back (temporarily) a certain number of illegals, and how merciful to be in granting amnesty. Ultimately—and this is a sign of how low we have fallen—most of the conversation was about money. Think of the jobs that need to be done, the fruit that needs to be picked, the houses cleaned. Think of the contributions to science and industry made by talented immigrants.

After we've done thinking about what's in it for agribusiness and electronics, we just might begin to wonder what is in store for the American people. Not too long ago, I had a chance to go over the whole ground with one of the brightest defenders of free trade and open borders in the