

The Economics of Russia

THE ECONOMIC LIFE OF SOVIET RUSSIA. By CALVIN B. HOOVER. New York: The Macmillan Company. 1931.

Reviewed by MAURICE HINDUS
Author of "Humanity Uprooted"

OF all the books on Russia that have recently made their appearance in this country Professor Hoover's is the only one that deals exclusively with the economics of the Soviet régime. From its title the reader might gain the impression that it is a treatise on a technical and not a particularly lively subject. In the hands of a mere economic expert it might have become only that. But Professor Hoover is more than an economic expert. He is an artist with a vivid imagination and with a brilliant pen. His facts and figures pulsate with the drama of life. In its own field his book is not only the most trustworthy source of information to be obtained in the English language, but a moving piece of writing. What lends it special merit is the faculty of the writer to brush aside details and to concentrate on essentials. Also he appraises facts with refreshing decisiveness. He writes without reservations, without apologies, with regard solely for the nature and the meaning of the evidence before him, and without the least attempt to explain away or to palliate the virtue or the meanness of either Soviet or capitalist theory and practice.

Mr. Hoover begins with a graphic survey of the general features, subjective and objective, of Soviet economy. Thus in the very first chapter he acquaints the reader with the essential differences between Russian and capitalist economic purpose and effort. Naturally enough the question of incentives, so pre-eminent in the minds of people accustomed to appraise human ambition in terms of material acquisitiveness, receives special emphasis. Hoover considers that for the wageworker material incentives are as pronounced under the Soviets as in any capitalist society. The managerial groups likewise enjoy certain special advantages, though they lack completely the material stimulations that a capitalist régime lavishes on them. But these groups, the author informs us, have something else to excite and enrapture them—lust for power. "The struggle for power," says he, "has replaced the struggle for wealth." This is a contentious point. Considering the checks and balances to which it is subject through discipline from above and self-criticism from below, power in Russia at best is an uncertain and not always an enjoyable attribute. The author, however, makes it evident that the struggle to achieve and to win yield no little gratification to Soviet executives.

In subsequent chapters the author draws on a large scale a verbal diagram of the physical and social mechanics of Soviet economy. In masterly fashion he sketches the history, structure, functions of Soviet industry, international trade, internal trade, banking, money, coöperation, labor organization. Always he emphasizes that, however freely the Russians may be drawing on capitalist experience for guidance, they are seeking to erect their economic structure on a pattern of their own, subordinated to a new purpose. Again and again he makes comparisons between the functioning of economic institutions in Russia and in the western world, and never hesitates to point out the shortcomings or the advantages of the one or the other.

The chapter on money is especially well written. Clinging to fact as staunchly as an engineer does to mathematical formula, the author traces out the extraordinary career of money under the Soviets and always relates it to its effects on Russian humanity. "As a result," says he, "of the shrinkage of the functions of money there has come about a curious change in the attitude of the population toward money. People no longer desire money itself with the almost unreasoning intensity which is frequently characteristic in a bourgeois society where money has sought or taken on independent value." Money has thus become an object of immediate convenience only, and people are interested not in saving but in spending. It is this neutralization of the dynamic functions of money, the author informs us, that has enabled the Soviets to do things which would have been impossible under a competitive régime, namely, to keep the price level of commodities in the face of acute shortages, firm and comparatively low, and to forge ahead undisturbed with its program of internal development.

The subject of the peasantry and of agriculture receives spirited consideration throughout the book.

The longest chapter is devoted exclusively to a discussion of this subject. The author follows out step by step and with complete mastery of essentials the changing policy of the Communists toward the *muzhik*, and makes it obvious that with the coming of the Socialist offensive in 1929, collectivization of the land was as inevitable as the practical nullification of the *nep* (new economic policy, extending concession to private enterprise) in the city. His discussion of the koolack, whose chief sin was his ability to whip out of the land superior crops and to store away a larger share of material goods than the Communists deemed safe for the Revolution, is especially apt.

Nevertheless this is the weakest chapter in the book. The author seems to be unaware of the tremendous gains that the peasant had made in the years when the *nep* flourished, roughly between 1923 and 1928 inclusively. The standards of living of the mass of peasants during this period in food, in clothing, in social diversion, in cultural satisfaction, had risen markedly. The sweep of the socialist offensive in 1929 had shaken down more or less seriously certain of these gains, notably in food, though by no means as seriously for the peasant as for the city dweller. But in the years of the *nep*,



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because money had ceased to lure him, the peasant had been stocking up on manufactured goods, particularly on clothes. Whenever he sold anything he hastened to buy something, with the result that in spite of the acute shortage of manufactured goods in recent months he has suffered no visible deterioration in dress. Never in all Russian history has the *muzhik* been so well-booted as now, or has he made such wide use of rubbers, handkerchiefs, top shirts, collars and ties, underwear, and even city made suits of clothes.

The author likewise ignores the effect on peasant psychology of the extravagant promises that the Communists are now making in the effort to draw him into collectivization. Also he underestimates the possible consequences of the political education that the peasant is now receiving and of the lessons in organization that collectivization is bringing to him. Professor Hoover's opinion that the voice of the peasant counts for naught in the collective farm is founded on meager personal experience. Had he attended a number of mass meetings on these farms he might have felt that the real conflict between the Communists and the peasants is still a matter of the future. For this reason his implied conclusion that the Communists have conquered the peasant is in my judgment premature. It is likewise regrettable that he has seen fit to print the story that "the women on the collective are encouraged and sometimes compelled to cut off their hair for sale abroad." A peasant woman can no more be compelled to cut off her hair than to cut her throat.

These, however, are minor failings. In a book of so comprehensive a nature certain misstatements and errors in judgment are unavoidable, especially in view of the fluidity of things in Russia. The author, however, has succeeded in being objective without being dull—a real achievement in expository writing. His knowledge of Russian gives the book a special value and a special charm; on the whole it is a well digested, finely integrated, brilliantly written account of the most complicated feature of the Soviet régime.

The Red Herring of Equality

LIBERTY IN THE MODERN STATE. By HAROLD J. LASKI. New York: Harper & Bros. 1930. \$3.

Reviewed by JOHN CORBIN

PROFESSOR LASKI differs from the authors of several recent books on constitutional liberty in that he discusses its relation to equality. His candor is admirable, though his logic may possibly be less so. He grants that men are not, as our Declaration of Independence insisted, "created equal." They differ widely at birth, more widely in maturity. "To treat men so different as Newton and Cromwell, Byron and Rousseau, in a precisely similar way is patently absurd." He even admits, indeed insists, that "the idea of equality" is "an idea of leveling." But of the process of leveling which he advocates he proffers this curious description: "It is an attempt to give each man as similar a chance as possible to utilize what powers he may possess."

Is anyone so illiberal as not to be, heart and soul, for equality thus defined? Common sense, it is true, registers a demurrer. Even in courts of justice, where men's chances are most nearly equal, they are not very "similar." A wealthy murderer has every chance of being found insane—and ultimately, as William Travers Jerome put it in the course of a celebrated case, of being "committed to Rector's." A powerful corporation has a swell chance when sued by John Citizen before a jury of John Citizens! But suppose every man had every chance "to utilize what powers he may possess." Would the result be an equalitarian leveling? Some of us would remain the morons we were born while others became Newtons or Byrons. Far from leveling us up or down, such equality could only develop and make manifest the astounding differences between man and man. Somewhere there must be a catch. Perhaps it will help us to find it if we ask for a definition not of equality but of liberty. I know of none better than precisely that—"to give each man as similar a chance as possible to utilize what powers he may possess."

All this may perhaps seem logic-chopping. Whatever it is, it is necessary; for the idea that an effective equality is possible—to say nothing of being compatible with liberty and essential to it—is fundamental in the doctrine of the entire school of political thinkers among whom Professor Laski is one of the ablest and most learned. The men who wrote our Constitution knew that, root and branch, the idea was "patently absurd"—that as a political theory carried to its logical conclusion equality is the very negation, the arch enemy, of liberty. But ever since Jefferson's stirring phrase served as slogan for our Revolution, this term, which corresponds to no human fact biological or political, and is therefore quite undefinable, has served as a red herring across the trail of the democratic movement, diverting our minds from the fact that its true goal is socialism—indeed anarchy.

In Professor Laski's case, the scent of the red herring is especially strong in his definition of liberty—the similarity of which to his definition of equality is obvious:

I mean by liberty the absence of restraint upon those social conditions which, in modern civilization, are the necessary guarantees of individual happiness. . . . Liberty is essentially an absence of restraint. It implies power to expand, the choice by the individual of his own way of life without imposed prohibitions from without. Men do not, as Hegel insists, find their liberty in obedience to law.

As always, the emphasis is on the individual. The idea that collective control is essential to freedom is whistled down the wind. Of Hegel's philosophic generalization I make no defense. A quite similar course of thought led Rousseau, in the end, to postulate in his socialistic state a complete subservience of the individual. The true recourse is to practice—or, rather, to theory put into practice. Washington and John Adams, Hamilton and Madison and James Wilson, had all a deep regard for the liberties of the individual; but the bitter experience of those years during which the Jeffersonian slogan guided political action had taught all who were capable of learning that collective control is also necessary—that no man "can utilize what powers he may possess" unless society as a whole is effectively organized for all general purposes. Neither principle is absolute in anything like the sense of Hegel and Rousseau. Life is a matter of give and take. Peter and Paul rob

each other; only by so doing can either get an adequate share of what is due him.

Professor Laski, it is true, does not absolutely deny the need of collective control; in a certain measure his vision is as realistic as his learning is prodigious. And, whatever may be said of his ideas, his human instincts are vigorous and warm. His arraignment of the abuse of authority during and after the war, the invasions of individual rights, are filled with a fervor for justice and freedom which must waken an echo in every liberal heart. But not without impunity can the idea of liberty be so thoroughly clouded by the pipe-dream of equality. The degree of individual liberty which he postulates could only mean a complete breakdown of collective control and the probable ruin of the nation. "All restrictions upon freedom of expression on the ground that they are seditious . . . are contrary to the well-being of society." One has only to object conscientiously to be freed from wartime service. "The opposition of Mr. Ramsay MacDonald and Mr. Snowden to the war of 1914 was a fulfilment on their part of the highest civil obligation. . . . If a man sincerely thinks, like James Russell Lowell, that war is merely an alias for murder, it is his duty to say so even if his pronouncement is inconvenient to the government of the day." Inconvenient! He warmly approves of general strikes such as that of 1927 in England, which crippled a nation already prostrated by the war. And he adds: "Quite frankly, I should have liked to see a general strike proclaimed against the outbreak of the war in 1914." To the philosophic mind it would be an equal pleasure to see how conscientious objectors would be treated by victorious Germans. Fortunately Professor Laski himself relieves one of the necessity of calling names. "If it is objected that this is a doctrine of contingent anarchy . . . my answer is that the accusation is true."

In England as in America collective control will doubtless continue to be recognized as the *alter ego* of individual liberty, and will continue to be exerted with increased rigor in wartime. Perhaps nothing could be more reassuring on this score than the fact that a man who harbors and disseminates such ideas has held a chair of Political Science, and has been honored in it, both at Harvard and the University of London.

Tommy Atkins's War

THE JESTING ARMY. By ERNEST RAYMOND. New York: D. Appleton & Co. 1931. \$3.

Reviewed by STANLEY WENT

THE author of "The Jestling Army" has given us a picture of the war which most of those who served in the British army, at any rate, will find more authentic than the highly individualized war books which have achieved the greatest popularity. Mr. Raymond tells us that his novel was conceived long before the present crop of war books, as the second volume of a trilogy covering the period of his own life. The first volume appeared last year under the title "A Family That Was"; the third, dealing with the post-war years, is to appear in due course. Each may be read independently of the others, though the central character, one Tony O'Grogan, is the same in all three.

Tony O'Grogan, in the present volume, is the nominal hero only. The real hero is the British Army itself, with one unit of which Tony goes, as a young officer, to Gallipoli, to Syria, and finally to France. Most of those who served as officers in the British forces will gladly subscribe to the author's thesis, that the army owed its ultimate victory to the indomitable good temper of the British private. Thomas Atkins was as incapable of Prussian hate as he was of the patriotic heroics of the French. Indeed, of all the absurdities committed by the War Office not the least was the official attempt to inculcate in Thomas a devastating ferocity towards his enemies. "Remember," cries the physical jerks walla (who himself has sedulously cultivated a "cushy" job at home) as he spurs his class to dig their bayonets into the straw and canvas simulacra of Prussian guardsmen,—"Remember, the honly good 'Un is a dead 'Un! Give it 'im, the bastard! Stick 'im in the stummick! Now get on ter the next —ar-r-r." And the fundamentally good-natured Tommies, rather enjoying this play acting, would do their best with gutteral cries and horrible grimaces to simulate a hate that never for a moment entered into their souls.

And Thomas, cursing, growling, joking, "—d, fed-up and far from home," muttering of mutiny

which never materialized till after the Armistice, (The French had theirs in 1916) and then was a flash in the pan, not unduly cast down by defeat nor over-elated by victory, was a product that somehow justified the race—or so it seemed to young Tony O'Grogan when he came face to face with the inevitable disillusionment and nerve-shock of the war.

Mr. Raymond's volume will doubtless be criticized as "sentimental" (most damning of adjectives) by the generation which takes a rather condescending attitude towards the late unpleasantness and likes its war stories stark and unrelieved by humor, but Thomas Atkins was himself the most incurable of sentimentalists (did he not love to drone out sloppy ditties about his mother? How did it go? Something about "my dear old mother: Lordy, lordy, lordy, how I love her"), and this war of Tony O'Grogan's is much more the war of the average British soldier than some of the private wars of more temperamental writers.

A Diplomat of Distinction

PORTRAIT OF A DIPLOMATIST. By HAROLD NICOLSON. Boston: Houghton Mifflin Company. 1930. \$5.

Reviewed by FREDERICK W. HILLES
Yale University

WHEN Arthur Nicolson (later Lord Carnock) was still relatively young and had acquired but little reputation in diplomatic circles, he made his wife a confession and expressed to her a wish. "Do you know," he wrote her, "that I feel sure I should have been a literary man if my lines had fallen otherwise? From my early boyhood I always had an inclination to scribble and I am sure my editorship of the journal at Oxford increased this desire. . . . Let us hope one of our boys will take to letters." He lived long enough to see one of his sons accepted as a literary biographer of distinction, and it is in that son's account of him that he will probably live for posterity.

One might have expected that Harold Nicolson's "Portrait of a Diplomatist" would have been the most perfect of biographies. In the first place he had at hand the necessary raw materials—his father's diary, much of his personal correspondence, and a draft of his inedited memoirs. Moreover, he himself, like Lord Carnock, had seen service in the Foreign Office and had lived in British Embassies on three continents. And unlike most sons who have written of their fathers, he had shown in four biographical studies of nineteenth century poets that he was a capable craftsman in this branch of literature. Thus equipped he might have produced a work comparable to Boswell's. That he has not done so is to be regretted, but the blame for this must rest not on the writer but on the spirit of the age.

Since the normal reader of today is unwilling to wade through a voluminous "Life and Times," Mr. Nicolson's task was to compress into little more than three hundred pages the experiences of an octogenarian who for forty-seven years had taken an active part in European diplomacy. For the sake of literary form he was forced to exclude much of his material and stress but one side of his father's career. To the first twenty years of the life but four pages are devoted; four pages again are sufficient to describe the thirteen years Lord Carnock spent after retiring in 1916. The body of the text depicts the career of the ambassador and statesman of pre-war days. In such a book the principal figure is inevitably submerged in the vast sea of international politics. To counteract this Mr. Nicolson has endeavored as far as possible to portray that sea as his father saw it. It is through Arthur Nicolson's eyes that we gaze at the machinations of rival statesmen; it is Arthur Nicolson who describes to us the convention at Algeiras or the efforts made to preserve the Anglo-Russian Entente. Slowly, as we turn the pages, his character emerges, becomes individualized; and though we are not conscious of having read "facts" about him, his personality has made its impress upon us. Admirable as this unquestionably is, it does not make for good biography. We are given a portrait instead of a life.

This by no means destroys the value of the book, which has been written with commendable impartiality. "The historians of the war," states the author, "are bound, from lack of space, to throw the maximum emphasis upon the period when England was sitting digestive in her armchair, and when Germany, young and hungry, was manifesting the unwisdom of adolescence. Before we blame Germany,

we must first blame our own Elizabethans. The spirit was exactly the same; the Germans, however, owing to a higher state of culture and rectitude, behaved less blatantly; and were less successful." Equally objective is his treatment of his father. Lord Carnock is placed upon no pedestal. His faults as well as his virtues, his failures as well as his successes, find their way into these pages. Were the book written under a pseudonym, none but the most acute of readers would suspect it had been composed by a relative. Some may be annoyed at the self-conscious way in which the author refers to himself (which he does some four or five times) as Arthur Nicolson's third or youngest son. This however is preferable to the opposite extreme. The remarks of Cowley which Mr. Nicolson himself quotes in his "Development of English Biography" might be applied to those lives written by close relations of the celebrity. "It is," said he, "a hard and nice subject for a man to write of himself; it grates his own heart to say anything of disparagement, and the reader's ears to hear anything of praise from him." In this respect Mr. Nicolson has succeeded as well as mere mortal can. Nor has he lost his faculty for being brilliant and entertaining, although we find him for the most part more moderate and restrained, as befits his subject. Most assuredly the book has been written with care, and though not what the author himself has defined as "pure" biography, it is nevertheless well worth reading.

Let us not forget the Queen's good qualities. She had warm personal affections, she was good to her servants, even bestowing tobacco on "good old Mrs. Leys, an aunt of Brown's"; she must have been a wonderful grandmother, and she was the most remembering widow in history.

The Vestal Copyright Bill, which was the last in the long series of attempts to put American copyright on a decent basis and enable us to join the International Copyright Union, has been defeated by the dog-in-the-manger tactics of one "selfish old man," as the *Evening Post* calls him, Senator Thomas of Oklahoma, who filibustered it to death with other important bills while he explained to the country what Congress ought to have done for Oklahoma. The bill passed the House by a large majority and would have passed the Senate also, if Senator Thomas had allowed it to come to a vote.

The loss of a bill so carefully prepared and so strongly backed by all those properly interested is a disaster, but no more serious than this new blow to the confidence of judicious observers in the Senate as a body capable of self-regulation in the interest of good government for the country as a whole. We doubt whether Oklahoma will approve of the Senator's disastrous and undignified method of advertising the economic difficulties which it shares with the rest of the country, for Oklahoma has a great university and a vigorous and enlightened civilization rising above its farms and oil wells. The writers of the country, as the *Herald Tribune* says, have little direct political influence, but much indirect. Their typewriters grind slowly but they grind exceeding long and fine. The Vestal Bill will be revived, and Senator Thomas may yet learn what it means to be responsible for the nation's business.

Henrik Pontoppidan, seventy-three years old, Danish winner of the Nobel Prize for literature in 1917, was dangerously injured recently when he was struck by a taxicab as he was crossing a slippery road. When asked if he would prosecute the driver, the author replied: "No, I am an old man and had no business to venture out in such bad weather."

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