

DEMOCRACY versus Communism! You have certainly given me quite a subject! Even the very words mean different things to many of us.

When the Communists speak of America, pat phrases about Wall Street warmongers, and bloodthirsty imperialists come tumbling automatically out of their mouths. And when we who believe in democracy discuss Communism, we are likely to get a bit confused on basic definitions.

Many of us, for instance, are unable to distinguish between the Communism of the Soviet Union, the Communism of Yugoslavia and the democratic socialism that has played such a significant role in Scandinavia and Britain. We lump all three together although actually, of course, the three are very different.

Certainly Karl Marx has had a profound influence on the world in which we live, perhaps a greater influence than any individual in the last 100 years. His analysis of the Industrial Revolution as he saw it in Europe in the mid-19th century was profound.

Many of his convictions about the future came true, including his prophecy that the ups and downs of the business cycle would create frightening insecurity for millions of people, and that wars would be fought as the great powers competed for trade and spheres of influence in the underdeveloped parts of the world. But Karl Marx's final analysis turned out to be quite wrong, and for reasons which even a man of his genius could not possibly have foreseen.

The teachings of Karl Marx must be judged against the background of the times in which he lived and wrote. In 1848, when the Communist Manifesto was published, the industrial revolution was well under way in Europe, and for the average citizen there the world was a most unhappy one. There was poverty on every side. Children eight, ten and twelve years old worked long hours each day in the factories for a few annas a week. The few who were rich were very rich and steadily becoming richer, while the poor saw no hope of relieving their poverty.

A never ending supply of labor poured into the cities searching for jobs, pushing down wages, and thus creating new misery and bitterness. Colonial peoples were ruthlessly exploited and conflicts between the great European nations for raw materials created many tensions.

It was a world in which the few benefited and the many suffered. The art, culture, education which many of us associate with the 19th century were available only to a limited minority.

Marx, looking at this predominantly unhappy world of greed and exploitation in the mid-19th century, came to a series of what seemed to him obvious and inevitable conclusions.

Marx reasoned that the capitalistic system must eventually be destroyed, that the "ruling classes" would be swept from power, and that "the masses" should then organize a "dictatorship of the proletariat". Eventually, according to Marx, this revolutionary government, its task complete, would begin to wither away, the various classes of society would dissolve, and the peoples of the world could look forward to an expanding frontier of greater freedom and opportunity for all people.

In view of the background of poverty and exploitation against which Karl Marx wrote, these harsh conclusions are understandable. However, if Marx could return to our still imperfect world of 1952, he would be in for some profound surprises.

In my own America, for instance, he would find an economy still based solidly on private ownership that provides living standards and exapanding opportunities for all people that far exceed his own dreams for a socialist state.

Our economic and social progress of the last few generations developed gradually, and much of it was admittedly due to our inherent national wealth and the advantages which were lacking in the European countries with which Karl Marx was familiar.

For instance, there was our wide open west with endless good land available to anyone who wanted to till it. The Homestead Act passed by the American Congress in 1862 provided one hundred and sixty acres of good farmland free to any man who would come and till it.

This meant that our factory workers had an ever present alternative to life in city slums at sweat shop wages. A worker could say to his employer, "I cannot live on what you pay me, and so I shall take a farm and with my own efforts and with the help of my family, I shall build my own secure existence on the land."

Our millions of working people, including the newly arrived immigrants from Europe, always knew that they had this ready made alternative to work in the factories. This meant that the pressure of low wages which held many European workers in bondage was much less of a problem in America.

However, as the 19th century drew to a close the economic conflicts which Karl Marx described began to take shape in most American cities. As our free farmland was no longer available to the pioneer for the asking, more and more Americans were forced to face the tough economic challenge of factory work and city life.

But then came a dynamic development that Karl Marx could not have foreseen. That was the ability of our democracy to face a problem and solve it, the ability of a free people to rise above adversity, to demand and get a different and better life. At great mass meetings men and women by the thousands gathered to denounce the evil of children of 10 and 12 years working endlessly in the factories for a few cents a day, destroying their health and their future. And our democratic assemblies under growing public pressures passed laws forbidding child labor.

Then the mass conscience of the American people turned its attention to the great monopolies which forced wages down and prices up. We did not sit back helplessly and say, as Karl Marx assumed we must,—"This sorry state of affairs is sad, but inevitable." Instead, we said "We must take action."

In 1890 we passed the Sherman Act which made it a criminal offence for manufacturers to agree to restrict production and to raise prices. Any group of manufacturers who tried to force up prices by artificially restricting production was subject to heavy fines or indeed could be sent to prison. And so we began to break up the great monopolies and cartels which gouged the people and undermined their freedom.

Then we passed laws establishing factory inspectors to improve working conditions in our factories. We organized labor unions so that individual workers could group together and bargain more effectively with their employers for higher wages and shorter hours. And so our American people surged slowly ahead, steadily overcoming, through democratic means, the obstacles which Marx believed could only be overcome by revolution.

World War I came as Marx prophesied it would. This war was finally won and we entered a postwar period of what we assumed to be endless prosperity.

As we look back on this critical period we now know that several explosive economic factors were present in that apparently stable society which were not then apparent.

In retrospect the problem was simple. Although more and more wealth was being produced, not enough of this wealth was going to the people. Too much was going to the few at the top.

This was unfair. But even more important for our immediate welfare was the fact that it was *economically* wrong. Because our workers and our farmers were not paid enough to enable them to buy the goods that our factories were capable of producing, our economy blew up, much as Karl Marx said it would.

Although Marx prophesied the Great Depession with extraordinary insight, he again failed to foresee the dynamic capacity of a free people to face up to its failures, and to put its economic house in order.

We gained a lot of wisdom in the hard years between 1929 and

1932. That period witnessed a kind of bloodless revolution in American economic and social thinking, a basic change of our concepts, not only of what was right and what was wrong, but what would work and what would not work.

We began to see that it was not enough to go on building new factories, unless people had the resources and income to buy the goods that the factories could produce. So we began to rebuild our economy on a new and more solid basis. We began to build in terms of human beings, in terms of the millions who worked in the factories and the millions who tilled the land.

First the relief measures, and then the rebuilding measures that were launched in the turbulent 1930's were designed primarily to give greater purchasing power to our workers and our farmers, and they proved spectacularly successful. As the income of our average families increased, there was more money to buy the things they needed, and this created more opportunity for the business managers. As business volume increased, profits increased too.

As profits became greater there were not only more dividends for the stockholders, but also more capital to expand production and more taxes to support broader social and welfare services, unemployment insurance, social security, slum clearance, public housing and other measures designed to benefit the mass of our people.

In this period American labor unions came of age. Labor unions on an expanding scale were rapidly organized under the Wagner Act that was passed by Congress in 1933. This Act guaranteed our labor unions the right to bargain on equal terms with the managers and the owners of our factories. It gave the unions the power to organize without interference from management; the right to bargain for the benefit of the employees, for higher wages, shorter hours and better working conditions.

The result of this total revolution in American economic thinking was a rapid upsurge of our economy, increased purchasing power and better opportunities for everyone. But unhappily these changes also created grave social and political conflicts including sharp bitterness between management and labor.

Only gradually did many of our businessmen come to realize that increased purchasing power for the people through increased wages and farm prices offered them an opportunity to help build a better life for everyone through an expanding economy, and at the same time to create far greater opportunities for themselves. Gradually in the last ten years business and labor have grown closer together and most of the old bitterness has now disappeared.

An example of the extraordinary new give and take between American labor and American management was the way our steel industry and our steel workers pulled together after the costly steel strike of last spring.

Management and labor finally agreed to a higher wage although less than the Union demands. Once agreement was reached, the steel operators promptly visited the union labor halls, met with thousands of workers, and wished them well. The labor leaders shook hands with the operators, and went to work with a will to make up for the production losses.

I do not think Karl Marx could have foreseen that a strike of such magnitude could take place without disorder. Even less could he have foreseen the cooperative and friendly spirit in which it was finally settled.

Nor could Marx or anyone else have visualized the dynamic expansion and industrial development, the steadily growing purchasing power, the steadily increasing opportunities for all people, which have been opened up under our American system of private ownership. Or a system of education which gives a free education to all boys and girls up to 18 years of age; or laws that prohibit people from going to work in the factories before they are 16; or the inheritance taxes; or old age pensions starting from 65; or medical insurance, unemployment insurance, public housing, and free school lunches for children.

Those are new and revolutionary concepts. No one, not even a man of Marx's genius, could possibly have foreseen them. A

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new kind of non-violent revolution has taken place in America, and it is still moving forward for the benefit of the people.

And these great 20th century advances were not confined to America. How could Karl Marx have foreseen the cooperatives of Sweden, Finland, Denmark and Norway where great industries are actually owned by the people who buy the products? How could he have foreseen the distributive cooperatives that have lowered still further the cost to the consumer?

How could he have foreseen government ownership that worked peacefully side by side and in competition with private ownership? How could he have foreseen a mixing of three different kinds of production economics, cooperative economics, private capital economics, socialist economics, working almost in competition with one another to see which could put out the best goods at the cheapest prices, which would pay labor the highest wages, which could offer people the best kind of future?

How could he have foreseen a labor government in England supporting the public ownership of steel mills and coal mines, but pledged to the maximum practical degree of private ownership? What would he have thought if he sat in the British House of Commons and watched the members vote for freedom for the 500 million people of India, Pakistan, Burma and Ceylon? How could he have foreseen the great bloodless, non-violent revolution of Gandhiji?

And how could he have foreseen that the nations of the world would join together in the United Nations which in spite of its imperfections has provided the world with its first global forum? How could he have foreseen the World Health Organization, UNESCO, Food and Agricultural Organization and the Children's Fund?

Karl Marx could not have foreseen these revolutionary developments because he believed that the economic system which seemed so solidly established in the 1850's and which he so properly criticized, would be unable to cure its ills, and that the world was certain to explode in bloody chaos. Marx believed in economic inevitability. What he overlooked was the ability of human beings working through democratic governments, to organize their lives and to control their environment, so that economic forces might be harnessed for the common good.

The bold theories of Malthus failed to foresee the growth of technology. The theories of Marx ignore the human factors in which Gandhiji placed his greatest faith.

What about Karl Marx and the Soviet Union? How would he react to the world Communist movement as it exists today?

I honestly doubt that Karl Marx, newly returned to this earth in 1952, could even get through the Iron Curtain. If he managed to get visas for the Soviet Union and other satellite countries, he would certainly be astonished at what he found there. The Communism which has been ballyhooed to the house tops bears little resemblance to the Communism for which he hoped and worked.

The first thing that would strike him would be the utter lack of personal freedom. In line with his writings, he would say, "This Communist Government has been in power for 35 years. Certainly by now it should be 'withering away'. The proletariat should be running their own affairs, with fewer and fewer state restrictions and greater freedom for each individual."

But Karl Marx, newly arrived in Moscow, would find something dramatically and embarrassingly different. He would find an all powerful, dictatorial police state. More than that, he would find a ruling group of Soviet bureaucrats living in a style that surpassed that of the capitalistic tycoons of 1848 and 1860 whom he condemned so vigorously.

As Marx listened to the Voice of Moscow he might be momentarily reassured, for he would hear many familiar phrases. He would hear Soviet leaders prophesy that "capitalism" at long last is about to blow up of its own accord. He would hear that the so-called "capitalist" countries (which in Communist terminology now means any country opposed to Soviet expansion and aggression) will soon destroy themselves in a war which will split the "capitalist world" up the middle.

But as Karl Marx studied the hard facts of 1952 those old familiar phrases would have a hollow ring. To be sure the world is divided more or less as he prophesied. But he would see that the conflict is not between "Capitalism" and "Communism", but between those countries which are determined to remain free, regardless of their type of government, and those which seem bent on aggression by force. In this unhappy modern conflict he would find the democratic socialism of Scandinavia and Britain standing shoulder to shoulder with the democratic private ownership of America and the independent free Communist government of Tito and Yugoslavia.

Karl Marx would see that in this modern world the old conflict "Capitalism versus Communism" is a make believe conflict, and that the real struggle lies between the forces of freedom and independence and the forces of aggression and suppression.

It is not the affair of America or of India how the people of Russia or of China or any other nation manage their internal affairs. Every country is entitled to develop its own economic, political and social systems within its own boundaries, free from foreign interference. There is only one thing which cannot be tolerated and that is aggression of the strong against the weak in defiance of international law.

What does all this mean in terms of the future? It is not enough simply to-point out that Karl Marx would be amazed at what he saw in America or Scandinavia or Britain and that he would be shocked at what he found in the countries that now claim him as their patron saint.

But am I trying to say that democracy has reached its goal and that nothing remains to be done? Most emphatically not! Democracy is still far from perfect and the unfinished business of democracy remains great.

Many people in America still discriminate against Negroes. We are ashamed of these prejudices and we are determined to get rid of them. In India, you, too, have seen the prejudices of past generations handed down from generation to generation. You, like ourselves, are striving to rid yourselves of these relics of the past.

You have banned caste discrimination in your new Constitution and you are working to make this forward looking legislation mean more and more in terms of day to day living. And you are making extraordinary progress. Any objective visitor to India must be deeply impressed by your accomplishments. And in all sincerity I believe that any objective Indian visitor would be equally impressed to see what we have been accomplishing in America.

Wehaveslums in America, and thoughtful Americans are ashamed of these slums. But the slums are gradually being routed out and beautiful new buildings are going up where working people can live within their means and where their children have room to play.

Our cities and towns are building more and better schools, and already nearly one out of four of American boys and girls is going to college. But that is not good enough because more than half of our boys and girls have the intellectual capacity to go to college, and they deserve to go, and we intend to see that they have that chance. Educational facilities, as we see it, should be based not on family income, but on the ability of each boy and girl to absorb-knowledge and to put that knowledge to work for himself and for his family and for the betterment of humanity in general.

Democracy, let me repeat, is far from perfect in America, but I can assure you that we are working with all our hearts to bring it constantly closer to perfection. Our own idea of "perfection" will steadily expand and we will have new standards to meet in the future. As long as we keep our faith in human destiny and the democratic process, I believe we shall continue to meet those higher and still higher standards.

The same kind of thing is happening in England, Scandinavia and other countries. And most important of all, it is happening here in India and other underdeveloped areas of the world. Many parts of Asia have just emerged from the long dark era of colonialism and the domination of other peoples by the long established nations of Europe.

Here the challenge of democracy is greatest and here, where the problems are so great, is the greatest need for dynamic faith and conviction. India has come a long way under a democratic government in the last five years. India has already performed economic, social and political miracles.

India is building great dams to control the waters of the monsoon. India is building hundreds of new schools and clinics. India is working to eliminate malaria, cholera, yellow fever and tuberculosis. India is expanding her industry and her hope for a better future for all of her people.

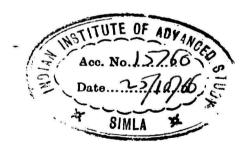
Although a new prosperous, dynamic India after 200 years of colonial domination cannot be achieved over night, great achievements have already been recorded and still greater achievements lie ahead.

America has offered economic assistance to India and many thousands of Indians have expressed to me their sincere gratitude for that help. But let me say to you as I have said to them, "The free world has a great stake in your success. I am confident that you will reach your bold objectives. Then it will be *us* who are grateful to *you* for having demonstrated again for all the world to see that democracy, dynamic and free, is not only a living breathing faith, but the most effective way of getting things done!"

Karl Marx was a brilliant man. But even his great brilliance could not prepare him for the accomplishments of my own country, nor for what the people of free India will achieve inever greater proportions in the years to come.

If Karl Marx were alive today, he would shudder at the reactionary, hateful, destructive doctrine that seeks sordidly in his name to overpower mankind. The Marxism of the Soviet Union in 1952 is a false and empty faith. Democracy on the contrary holds before us the opportunity for a dynamic, bright new world for all men, built by the strength, brains and faith of young people such as you.

I congratulate you young men and women of India on your great new nation. I congratulate you on the endless, exciting opportunity that lies before you.



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