the FREEMAN

with which is combined the magazine, PLAIN TALK

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A WORD ABOUT OUR CONTRIBUTORS

GARET GARRETT was formerly chief editorial writer for the *Saturday Evening Post*, financial writer for leading New York newspapers, and editor of *American Affairs*. His previous articles for the *Freeman* were "Appeasement Economics," (December 11), "Fruits of Unity" (January 22) and "The Cry of Free Enterprise" (March 12).

MORRIE RYSKIND, whose "Record of the Hearings" appears on page 586, writes: "Hope you like this. I gave up the first three races at Hollywood Park to knock it out." Greater love for *Freeman* readers hath no man.

WALTER SULZBACH, writer and lecturer on economics and political science, came to the United States in 1937 from Germany, where he had been a banker and professor of economics and sociology at the University of Frankfurt. From 1937 to 1945 he was professor of social economics at the Claremont Graduate School in California.

ROMAN SMAL-STOCKI, now director of the Slavic Institute at Marquette University, was formerly professor in Slavic at the universities of Warsaw and Prague. During the war the Gestapo put him into civil internment. He served as Vice Premier and Foreign Affairs Minister of the democratic Ukrainian Government-in-Exile.

CHARLES YALE HARRISON, who contributes a satire on progressive education, is the author of "Generals Die in Bed," "Meet Me on the Barricades" and "Thank God for My Heart Attack."

EUGENE LYONS, who wrote "Anti-Semitism in Utopia" for the *Freeman* (December 11), is a roving editor of the *Reader's Digest*. Long before exposés of communism became fashionable, his books "Assignment in Utopia" (1937) and "The Red Decade" (1941) revealed the true nature of Stalin's dictatorship and of its American stooges.

Forthcoming

In our next issue, look for an article on price controls by J. Orville Watts. William Henry Chamberlin will examine the principal clichés that fellow-travelers have spread about the nature of communism, and Hugh S. Tigner will assess the political philosophy of Bertrand Russell.

the FREEMAN

NEW YORK, MONDAY, JUNE 18, 1951

THE FORTNIGHT

Looking at the matter purely from the standpoint of Messrs. Truman, Marshall and Acheson, the dismissal of General MacArthur was worse than an outrage; it was a political blunder. If they had kept MacArthur, they could have continued to blame him for anything that went wrong in Korea. As it is, the Administration can neither afford defeat nor its own Pickwickian brand of "victory." If our troops are defeated, the Administration can argue, of course, that they would have been defeated anyway, even if the commanders in the field had been allowed to reconnoiter and bomb by airplane over Manchuria and even if Chiang Kai-shek's and Chinese guerrilla troops had been utilized. But when our troops have the enemy on the run, the complete senselessness of the Administration's military policy is plainly revealed. As soon as we get a tiny (though undefined) bit above the Thirty-eighth Parallel, we must stop.

The "pursuit phase" of the Eighth Army's campaign in Korea, announced Lieut. Gen. James A. Van Fleet on June 2, "has now ended with the clearing again of enemy units from South Korea." This plainly meant that he was acting in accordance with new orders not to pursue the enemy into North Korea. His announcement was so interpreted in British Government circles, which were "relieved" to hear it. Secretary Acheson before the Senate inquiry, however, professed complete ignorance about the meaning of the whole Van Fleet statement; alleged that it was "a statement of military operations which I am not competent to comment on," and, in short, took refuge once more in double-talk in order to befog responsibility.

But the meaning of the Van Fleet statement was as clear as daylight. It meant that as soon as our troops get just a little above the Thirty-eighth Parallel they must stop, allow the enemy to rest, to regroup, to bring in more arms and equipment through North Korea and Manchuria. He has our assurance that we will not molest him meanwhile by land in North Korea or by air over Manchuria, that his "privileged sanctuary" has been widened, and that we will wait until he actually starts shooting at us again. And yet the Administration and our Chiefs of Staff profess to believe that under such conditions the Chinese Communists will "ask for peace." Why should they? They have everything to gain by keeping our own forces tied up in Korea indefinitely in fear of further attacks from them while they are guaranteed against attacks from us.

When not long ago the President's Council of Economic Advisers began to talk of a national income of $300 billion, that seemed a distant goal. But it is coming into view. The Department of Commerce says the value of the country's gross national product in the first three months of this year was at the annual rate of $314 billions. Its value in terms of what? In terms of money, of course. But what has happened to money? If a dollar today would buy as much as a dollar bought in 1939, you could buy this $314 billion gross national product for $153 billion. If what has happened to the dollar since 1939 continues to happen for another twelve years, the gross national product in the year 1963 will have to be valued in some other way, because the value of money will be zero, and you can not value anything in zero. Undoubtedly before that happens the money planners will have provided us with a new kind of money, or it might be that they would only abolish the silly zero sign.

To say that things are priced in money, and money is priced in things, is like saying that the total of prices charged will equal the total of prices paid. It has the truth of a circle, perfectly lucid, and gets you, as the sailor says, no forrader. If it buys too much you may say either that money is too dear or things are too cheap: if it buys too little you may say, conversely, that money is too cheap and things are too dear. Then you may just as well say it all backward. What in any case does *too* mean? But mark you, there is supposed to be a science of planned money, and the professors of that science undertake to say what is *too*. Two years ago they decided that all the currencies of Europe were *too* something — too dear probably. Anyhow, they decided that Europe's welfare required her money to be devalued. Great Britain led off. She thought she would be better off if her pound sterling bought fewer dollars, and therefore she declared it worth one-third fewer dollars than before. Other European countries did likewise with their money. The idea was that with these devalued currencies they would buy less and sell more in the world, and that was to cure the dollar