

THE ATOMIC AGE AND EXCRESCENCES

Last month I received a 6page letter neatly handwritten in ink on printed stationery letterheaded "ANIMIST PARTY". You who know my attitude toward the doctrine of animism may guess my initial reaction. The name was followed by the motto "The ultimate destiny of man lies in the stars", and then "NATIONAL DIRECTOR - James H. Madole, 224 E. Main St., Beacon, New York". Beacon is a town of ten thousand opposite Newburgh on the Hudson. Believing that many of you may hear something more of the Animist Party, I think it advantageous to give the fullest information possible at this early date. My comments are in footnotes.

Along the side of the letterhead are printed PARTY AIMS as follows:

1. Unity between labor and management,¹ disputes settled by impartial labor Tribunal.²
2. Radioactive isotopes to be released from gov't. control for use in treatment of cancer and skin ailments.³
3. Nine year training course for future national office holders, elimination of political machines and party politics, all to be replaced by trained and able leaders.⁴
4. Protection of the Christian faiths against enemies within and without.⁵
5. A Ten Yr. Reconstruction Project to bring about ultra-modern homes at \$30 per month rentage.⁶
6. Elimination of inefficient bureaucracy.⁷
7. Students to be trained only in subjects pertaining to their chosen profession.
8. Self supporting gov't.⁸

Dear Mr. Speer:

I have read your letter in the latest issue of "Astounding Science Fiction" and wish to make known to you the Animist Party, whose state directors consist of S.F. fans and veterans. We have as our purpose the creation of a new philosophy and state for the Atomic Age. We bar only Communists and followers of the Marxian tradition.⁹ Your statement concerning a lot of things of more importance than swell-

¹"Unity" is a word favorite with William Hard and his stripe. It suggests that the Animists have at least been influenced by reading Republican literature.

²It is not simple to make a tribunal both competent and impartial. Apparently it is proposed to prevent all strikes., by compulsory arbitration.

³Mention of particular ailments here is peculiar.

⁴It is a serious matter to deny the right to hold national office to those who have not taken 9 years' training. And legislative abolition of political parties would be more than a bit difficult. The resemblance to Technocracy's null-democratic proposals raised in me suspicions which are answered in Madole's second letter.

⁵Orthodoxy rears its ugly head. Considering the phrase "enemies within", this plank is actively or passively aimed, it would seem, at: Modernist Protestants, Jews, and atheists. Speculating on the reason for it, it may be either that the party founders believe the essentials of truth are contained in Christianity, or that they are trying to appeal to large special groups.

⁶The curious thing about this proposal is its applicability only to an immediate situation which must change completely before the Animists could possibly come to power.

⁷This is almost as safe as being against sin. But we cannot overlook what type of interests usually so declare themselves.

⁸I asked whether this meant anything more than a balanced budget. See Madole's reply infra.

⁹Barring Communists may be explained as simply wishing to avoid being taken over and used by them as so many other small movements have been. But "followers of the Marxian tradition" sounds a bit sweeping.

ing reform causes me to believe that you are looking for a worthy cure for the present day ills of mankind. Attached to this sheet you will find an explanation of our governmental and educational principles.

Have you read Gus Willmorth's latest issue of "Fantasy Advertiser" in which he explains the need of a cooperative fan mag. Fantasy Foundation and a general united effort of fandom? They outline our fan policies to the letter. I am writing to Gus announcing that we will help in all ways possible.

You will find that the Animist educational system holds open the door to all men to obtain the position in life for which they are best fitted.¹⁰ There is no hereditary office nor offices held in reserve for the eldest of the citizenry. People gain office by their own innate ability. When we call for a doctor we do not call him for his handsome appearance, age or look of wisdom but because of his ability to cure us. So to with our social mechanism. Do we entrust our lives to men of bureaucratic or despotic nature as we would entrust our health to African medicine men or do we prepare our future office holders early for their positions in future life?

A fandom united combined with truly progressive elements¹¹ in America can serve as a key to the kind of world, we have all been hoping for during the past dark decades. Why put off the beginning of this task for more years when we can begin today. Before man can reach for the stars, he must bring his social science up¹² to the level of his physical sciences. Thus Animism is a flexible philosophy¹² capable of changing its structure to keep pace with the times. Thus a new scheme will be placed before the people and decided on by popular vote. Send any questions, comments etc. by return mail and they will be promptly answered.

Yours for an American Renaissance,
James H. Madole

I

The Animist governmental philosophy calls for four departments: Cultural, Economic, Theosophic and Judicial all coordinated by the National Director, Council of Technical Integration and the Animist legislative body, the Octanate. This Octanate consists of eight individuals including the National Director and National Integrator, Jack Murrell, 1809 College Avenue, Indianapolis 2, Indiana¹³. The remaining six are representative of six of the foremost fields of American life. These fields are Technology, Science, Law, Theosophy, Labor and Industry.

The Cultural Department is unique in governmental history but an essential to life in the Atomic Era. It is formed as follows:

I Ten Technical Councils:

1. Council of Scientific Advancement
2. Council of Medical Advancement
3. Council of Educational Advancement
4. Council of Agricultural Advancement
5. Treasury Council

¹⁰"the movement of the progressive societies has hitherto been a movement from Status to Contract.' ... It is to be observed that Maine guardedly said that this movement had hitherto been characteristic of the progressive societies. Many are now asking, some with apprehension, and some, it would seem, with complacency, whether the contrary movement, from contract to status, is not setting in. It is quite certain that the absolute self-determination of the individual, which nineteenth-century laissez-faire enshrined in the hallowed phrase 'freedom of contract', has become much modified in our own day; and the place of the individual in society is governed far more extensively by the particular grouping, especially the vocational grouping, in which, not always by his own free choice, he finds himself, than it was when Ancient Law was written." --G K Allen's Introduction to Ancient Law

¹¹The presence of the word "truly" will permit this declaration to be interpreted at convenience.

¹²The "Thus" seems out of place.

¹³Note the state. Anybody recognize this name?

6. Council of Public Utilities
7. Council of National Conservation
8. Council of Art and Music
9. Council of Transportation and Communication
10. Council of Military Defense

Each of these councils will consist of trained technicians and professional men animated¹⁴ with a zeal for united, cooperative activity in their respective spheres of professional endeavor. Thus the Council of Medical Advancement will consist of the nation's greatest medical intellects; united in modern research laboratories with the aim of eliminating disease by united effort. Think what this unification of cultural groups would mean to world culture. Remember, atomic fission was the result of united scientific activity. Soon man will reach out towards the stars and at that time work towards a united World State will be underway.

II Cultural Assembly - a group of 100 technicians, 10 from each Technical Council, united to form a cultural legislature and clearing house. Patents are also granted by this office. As example, let us say that radioactive isotopes involved in cancer therapy have been discovered and tested by the Council of Scientific Advancement. Immediately they are presented to the Cultural Assembly, patented and distributed to all American hospitals by means of the Economic Distribution Dept.

The Council of Technical Integration will consist of a State Director from each state, and act as a coordinating agent between State and National units. Thus when a new law is enacted by the National Judiciary¹⁵, it is immediately sent to the Council of Technical Integration and transmitted to each state by its director. This without red tape.¹⁶

You have seen one example of Animist cultural progress in the Cultural Dept. and it has been one of our major aims to bring the social and economic systems up to the progress of science. The Animist State is a free enterprise state but differs from Capitalism, in that the corporations and trusts are required to set aside a large sum¹⁷ in a National Economic Fund for the safeguard of future industrial collapse. In addition our economic dept. contains the Economic Security Council made up of leading industrialists¹⁸ and economists who pool their efforts to prevent the inflation cycle. The Animist Labor-Management Coordination Board will consist of an equal number of representatives from both industry and labor.¹⁹ All disputes will be settled by an impartial Labor Tribunal.

The Animist Party embracing the new philosophy of Animism is making rapid strides toward bringing about an American Renaissance. We have a series of Ten Yr. Reconstruction Projects worked out in conjunction with construction groups. Cities will be built on an ultramodern scale though within practical lines. 20

¹⁴How assure this, with men drawn from the NAM, AMA,?

¹⁵Madole either has his terms mixed, or does not know what the role of a judiciary is.

¹⁶He seems not to know that "coordinating" is a synonym for "red tape", whether or not it's necessary. In this case, why not let the enacting body or the Council use an addressograph and send the dope direct?

¹⁷No different from present taxation, except that results of taxation go into a general fund which is subject to all manner of uses.

¹⁸Who of course will accept the theories of their impractical-dreamer colleagues and forgo immediate huge profits for the welfare of society. Hac iklackic--in a pig's eye.

¹⁹On labor-management-public boards, the government-appointed member usually holds the balance of power.

²⁰Don Rogers spoke on the radio last year to Midwestern listeners."

mism is out to get financial backing of industrial and real estate groups as well as our own California Animagist Labor Federation²¹. America will be the seed from which the Animagist cultural renaissance will grow and spread. You can take part in this. What I have explained is but a microscopic portion of our philosophy concerning which a book is being written.²²

The Educational system works as follows:

Present day education attempts to create jacks of all trades instead of masters of one. It is our purpose to reverse this process. The Animagist student will begin his training at the age of five by entering an:

I. Educational Preparatory Institute²³ - Here the student remains from the age of five to twelve. The primary subjects are taught thoroughly as a cultural background for the young mind. The greatest lesson taught in this Institute is the ability to deduce²⁴ unknown facts from a central known statement. The entire educational system is aimed at creating this deductive analysis in the youthful mind. Today three quarters of our students are parroting their books and never look behind the written words for true meaning.

In the Educational Preparatory Institute, the student receives state paid trips to factories, national parks and state forests where they gain insights into the laws of Nature. Every student is checked psychologically and a record is kept of his behavior pattern and choice of vocations. The purpose is to direct the child's efforts according to his mental ability. Every young mind will fit into the pattern of society and vocational interest at some point.²⁵ We don't want square pegs in round holes. Psychology must fit the children to choose their proper vocations before graduation from the Prep. Inst. A child matures rapidly under proper guidance²⁶ as you must know.

II At twelve the student enters either a Trade, Technical or Governmental Institute according to his choice of vocation.²⁷ Thus a young student interested in the Local or State Directorates would enter a Govt. Institute where he would be taught only those subjects pertaining to his choice of profession. This is true of all students.²⁸ For nine years a student will remain in these Institutes assimilating all necessary knowledge in his field. Then upon graduation, canvassers for his particular trade will see that without delay he is assimilated into his profession. No weary hunting for jobs. No man may hold public office unless he graduates from a nine yr. govt. training course and is checked psychologically once a year to see that he is fit for the position.²⁹ This will disqualify³⁰ many paranoids and other undesirables. Men are not elected but chosen³¹ by means of their record and ability as well as psychological fitness. All workers will hold positions for which they are psychologically balanced.

I will answer any questions, comments and duly appreciate your suggestions. Hope to hear from you soon.

Very Sincerely yours,
James H. Madole

²¹CALIF? Owell, you can find anything in California.

²²Don was in Ohio seeing about getting The Cosmic Concept published.⁵

²³You could save a lot of syllables by calling it grade school.

²⁴Two things wrong with deduction. One is that no conclusion can be reached without adding one or more minor (or major) premises, which are often unquestioned and frequently fallacious. The other difficulty is in finding a central "known" statement. We cannot accept the founders' word for it that any given statement is perfectly dependable.

²⁵A pious hope.

²⁶But why shorten his fun, and his growing period?

²⁷Rather young age to stop the liberal education of citizens.

²⁸If jobs were assured, would enuf people freely choose the menial occupations?

²⁹Who decides what qualities are necessary? Quis custodiet custodes?

³⁰What do persons disqualified in an annual checkup do for a living thereafter?

³¹By Madole and Purrell?

Dear Mr. Speer:

I have received your letter and wish to assure you that the Animist Party is definitely not connected with Technocracy Inc. since we advocate the maintenance of free enterprise in industry while Technocracy eliminates the status of the price system in entirety. The Cosmic Circle, is a subject with which I am not familiar.

In regards to S. F. Fandom, we are not confined to that field though most of our directors are fans. In six months we have gained 2,535 members, a magazine to be published by Fantasy Advertiser and the backing of a New York Medical Society.³²

Animism is derived from our system of cosmogony³³, which we shall enter in detail if you wish it, at a later date. Some of our state directors are S.F. fan and others are vets while yet others are combinations of the two. As I described in my last letter, apartments in densely populated urban areas will be govt. maintained and owned at thirty dollars per mo. rentage, this being the essence of a plan to create a long range, self supporting govt. Free enterprise and private ownership are fully respected and indeed encouraged elsewhere. This takes the government out of the power of financial czars³⁴ and yet maintains the free enterprise system which has made America great.³⁵ Govt. can enter into business of its own as long as it doesn't interfere with private industry.³⁶

Since our educational program is based on psychology and specific vocational preparation, the youth chooses his own work. It is a psychological fact that those displeased with their profession or professional choice will not give their best efforts hence the child's choice will decide the issue. We will do all we can to direct the youth profitably at all times and most, even now, give vent to wise decisions.

Animism is a flexible philosophy and capable of changing its governmental form by popular vote of the people inspired by new situations. Thus if a new scientific discovery made it necessary to create new offices or reform the system, the issue would be placed before the people. This, at last, brings the social mechanism up to an equality with the physical sciences.³⁷ Animism is evolutionary, governmental philosophy. Will you accept the Directorate in Seattle and tell your friends about us. Merry Christmas and a Happy New Year. Hoping to hear from you soon, I remain,

Yours for an American Renaissance,
James H. Madole

P.S. The Animist Theosophic Dept. has nothing to do with spiritualism. It is a council representing the various religious faiths of the world, each equally represented, and with the authority to bring about a program of mutual cooperation and tolerance. It is one of our aces in the plan for an ultimate World State. As you can readily see, such a mechanism or evolutionary social philosophy as Animism is needed before man's science reaches out physically into the Solar System.

The duties of State Director merely require gathering together what friends you can in your area and keeping in touch with Jack Murrell, who is in charge of coordinating party activities, and myself. If you can attend our conventions, so much the better but it is by no means a stipulation of fact. We ask you to join with us in helping to bring about an American Renaissance,

Your friend,
James H. Madole

³²Had the society been named, it might have been more impressive. Or less so.

³³"Cosmogony" refers to the origin of the universe.

³⁴So far as I know, our fiscal system does not subject the Government to control by banks as companies are subjected.

³⁵Our resources, English heritage, isolation., have nothing to do with it.

³⁶Ha! Find a field where no businessman will complain.

³⁷The reasoning here is a bit obscure to me. Non sequitur, n'est-ce pas?

Let's start with a few ABC's on your frantic rebuttal of the statement that a nation should buy as much as it sells. I meant that to apply particularly to the United States, which for years has been selling a great deal more than it bought. Our leaders now realize that cannot go on, that we cannot expect peace if our own economic policies result in impoverishing the rest of the world.

In the '30s --especially after 1933-- our policies resulted in selling so much more than we bought that we attracted to ourselves more than 84 per cent of the world's monetary gold. Our tariffs prevented other nations from paying us in goods, so they had to pay in gold. We got it all --or almost all-- and the rest of the world did without.

What happened? When gold, the base of credit, was removed, nations were no longer able to ship us gold to balance their international accounts. (Do you understand how that works? An importer in France, let us say, imports some goods from the United States for which he must pay \$1,000. He must take his francs to a bank and buy dollars. But if a lot of importers are trying to do the same thing and their demands for dollars are heavier than the demand of importers in other countries for francs, the cost of dollars expressed in francs has a tendency to rise. Then the importer may find that it is cheaper for him to go to the Banque de France with his francs and buy gold, because the cost of the gold, plus insurance and shipping costs, will be less in francs than the cost of buying dollars. If there is a great deal of this, the Banque de France soon runs out of gold and is forced to stop free conversion.)

If you will stop to figure it out, you will see that, when a nation has too little gold, its prices have a tendency to fall. Gold is not there as a basis for credit, for one thing. So a nation robbed of its gold has a depression. It tries to combat this in a number of ways, the commonest of which is to cut the purchasing power of its currency. That means purchasing power to buy commodities --including gold.

The effect of this is to cut the real wages paid to labor, so that labor's products may be sold more cheaply on the international market-- or so that labor's products will be cheap enough to prevent imports from coming in. In one way this penalizes labor, because it cuts wage rates (expressed in foreign currencies). In another way, it helps labor, because it ends the depression and provides jobs for more people.

But what is the effect of the devaluation on international finance? Just this: Any devaluation of a major currency cuts international prices expressed in terms of gold-- or expressed in terms of United States dollars or any other temporarily stable currency. Let's have an example:

Suppose that a French plant can make a ton of steel for 1000 francs. Suppose --only for the sake of this argument, and to make the figures simpler-- that the French franc is worth 10 cents in our money. That means that the French plant can make a ton of steel for \$100.

But the world price is below \$100 a ton. The French plant cannot export. Moreover, foreign competitors can lay down their steel in France for \$80 a ton-- 800 francs. I am assuming that there is no tariff or that it is so low that foreign competitors can hurdle it and still sell in France.

Unable to sell abroad and losing its home market because of foreign competition, the French plant cannot operate at a profit. It accordingly has to lay off workers. The workers can buy less-- or nothing. Since this condition is multiplied thousands of times --because thousands of other plants have the same problem-- the French Government is under political pressure to end the depression.

Now, it might use the old pre-Roosevelt method of sitting on its hands and waiting for hard times to force workers to take smaller wages (in terms of francs). But

*Davis asides: "the whole thing resulted from Crane's having misunderstood some arguments of mine! At long last Davis's inability to express himself coherently has produced beneficial results!"

labor is pretty well organized and, besides, that old GOP method takes time and causes a great deal of suffering. So it devalues the franc to, let us say, 5 cents.

We return to our steel plant. It is still able to turn out a ton of steel for 1000 francs. Wages are no higher. Materials within France cost no more. But 1000 francs now equals \$50, so that imports are kept out and French steel once again can sell abroad. The French plant prices its product at \$70, for which it receives 1400 francs, giving it a profit of 400 francs a ton. Temporarily, everybody is happy.

But for people inside France, the price of steel has risen 40 per cent. Other prices rise, too. The wages of labor buy less. What happens? Labor takes all it can stand, then strikes. Up go wages. Up go manufacturing costs.

The peoples of other countries find that French steel is hurting them. They cannot sell abroad. Perhaps French steel is being imported. They have depressions. Their governments take the same action. Down go international prices once again.

I once made a chart of the effects of currency devaluations. I took the current devaluation of each currency (from a base in 1928, when the franc was given a new value) and weighted it with the percentage of trade outside the borders of the issuing country which was done in that currency. For example, if the pound sterling was down 50 per cent and 12 per cent of foreign trade was done by Great Britain, I considered that 6 per cent. If the franc was down 25 per cent and 4 per cent of foreign trade was done by France, I considered that 1 per cent. I added these products together for each year from 1928 to 1938, the last full year before the war. In that 11-year period world prices expressed in terms of gold (and American prices expressed in terms of gold) fell 56 per cent. On a graph, the decline of world prices and my calculation of the effect of devaluation were absolutely parallel! In other words, the world race to end depressions by devaluing currencies was the only important factor in setting prices.

At the moment we have the Bretton Woods plan, which makes money available to member countries, so that they will not be forced to devalue. It is, at best, a stop-gap--unless the fundamental conditions for successive devaluations are removed. The United States, because of its insistence on a high tariff, because of its "full dinner pail" fallacy, because its immense exports of oil, cotton, grain, and lumber were not --and are not-- balanced by imports, has been primarily responsible for the devaluation race. But our leaders now know this. We are trying to build a system which will allow us to lose gold to other nations.

After all, we have nothing to gain by having prices fall. Prices must be kept up if we are going to pay our national debt. Do you want to repudiate it? Remember what happened when prices fell in 1929-32! Think this over. Examine it from every side. And remember that the depreciation of the ruble from 52 cents to about 4 cents (the present exchange rate is about 7 cents, which takes our own devaluation into account) also entered the picture.

You've gotten yourself turned around bass-ackward in your argument about the development of backward peoples. Take the illustration above, substitute Malaya for France and rubber or tin for steel and you'll see what I mean. The main difference is that the Malays would be forced to take lower wages (under the old GOP plan) instead of having wages cut by devaluation.

Average standard of living for a people is a complicated affair but it generally works out as a function of the average productivity of the people. Average productivity is modified by willingness to work (the Japanese hate to work hard for more than about four hours a day), availability of natural resources and the number of horsepower behind each worker. For example, when I made a study of the question in England in 1928, I discovered that actual money wages plus workers' benefits paid in Japan were higher than those paid in the Lancashire spinning industry--and yet Japan consistently undersold England. Why?

Because, after World War I, the families that had owned the British cotton industry had sold out to the corporations. The corporations had been under-capitalized. The promoters had raised just enough money from investors to buy the plants, not to modernize them. The result was that ancient mule spindles and non-automatic looms were trying to compete against Japanese high-draft ring spindles and automatic looms. Although the Japanese spinner paid his worker in wages and benefits considerably more than his British opposite number paid, he got more production from each worker (in a shorter day) because that worker was backed up by the best of modern equipment.

We have seen the same thing in the American automobile industry. Because each worker is backed up by plenty of horsepower, the American automobile now sells for about a tenth of its 1906 price-- and the value is far better. In real values, the car now sells for about a twentieth of its 1906 price.

Until World War II, the productivity of American factory labor --because of heavier machining-- rose about 100 per cent every 10 years.

So, if we want to help the backward races, our job is to see that they are allowed to accumulate gold --or foreign exchange, which is the same thing in the long run-- so that they will be able to buy machinery. Then they will be able to raise their standards of living. Then they will not be ground down by successive wage cuts-- direct or indirect.

Keep this in mind: A nation's standard of living is the sum of what it makes plus what it imports minus what it exports.

COMMENT ON THE FOREGOING

I had intended leave comments till next quarter, but 'twould be bad economics to leave all this space here blank.

Theoretically, in the ideal system, it seems that devaluations should have no effect on the internal economy except temporary changes in the inflow and outflow of goods, and repercussions thereof. "ideal" implies that immediately purchasing power of the money dropped, labor would demand and get commensurate raises, and that the value of inventories would be unaffected because of hedging operations, and (this is a strained implication) that fixed capital charges would also be immediately adjusted. Many union contracts now provide for raises to match changes in the cost of living, and contracts between manufacturers and wholesalers or retailers (or even in the absence of contract provisions, a commonsense desire to keep each other above water) reduce windfalls and reciprocal penalties from changes in the price of goods during processing or storage. Since the effects of devaluation described stem largely from lags, these practices closing the gaps should be important. And to go a step further, if all nations reacted quickly to devaluation by an important nation with devaluations of their own, the effects on inflow and outflow would be lessened.

The special context of Burton's statement that devaluation helps labor needs to be pointed out. No permanent good is accomplished here which could not be had under a system of stable prices and wages, or of immediate response of one to changes in the other. Also back of this whole discussion--specifically French steel--is the uneconomic distribution of industries. If France cannot make steel as cheaply as other countries, there is no reason except economic selfsufficiency (which is of chief value in wartime, or when other countries are unnaturally interfering with trade) why Frenchmen should not buy their steel from foreigners, getting it more cheaply and thus having more money for other things. But there are vested interests in capital equipment, and also in skills and the whole economic organization of a region, which resist change. Again we find that if flexibility could be increased, the time lag lessened, people would benefit economically. It follows at any rate that a policy of perpetual tariffs is unjustifiable, since it prevents the most efficient use of a nation's production resources. The same thing of course applies to discriminatory freight rates within a nation.

The parallel graphs described are interesting, but would not seem to express conditions over a long period of time--i'm thinking of the secular rise in prices from the days when \$400 was a good annual salary for the governor.

I wish i could be as sure as Crane that our leaders realize the change that must be made in our foreign-trade policy. But on the tariff, as with OPA, we're up against the difficulty of the certainty and immediacy of benefits from inflationary moves (and increased purchasing abroad would be deflationary) as compared with the overall benefit if everybody sits tight. Boards of directors reason that they alone can't change the trend, and must take their profits like other companies are doing; and the continued prestige of labor leaders depends on keeping up with the Joneses in wage hikes. So, with the tariff, every special interest's congressman says "Keep the tariff up on our goods, reduce it elsewhere."

JACK SPEER