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Foreword

We devote this entire issue to one article. Originally it was carried in two issues of the Journal of the American Bar Association. It is reproduced in full in "Title News" by permission of the author and the Journal.

That which comes easily and without effort oft times is given little value. The soldiers in war discovered many things. He learned there is no atheist in a foxhole. He learned the struggle for liberty is a never ending battle. He learned the price of liberty is eternal vigilance.

We, living peacefully at home, enjoy the fruits of his struggles, of his supreme sacrifice on the field of battle.

Today we are engaged in another type of war—a cold war—a war to control the minds of men. There are those who are committed to the delivery of that control into the hands of the destroyers of everything we hold near and dear. Unhappily, there are those—altogether too many—who, perhaps unwittingly, perhaps through ignorance, through bigotry, through unfounded prejudices, give aid and comfort to the traitor in our midst. Unhappily, there are still others—again altogether too many—who regard lightly and even sneeringly those who live and act and preach sound Americanism.

The author spells out in unmistakably clear language his discussions of the ideologies of sound Americanism, of free enterprise, as compared to the contrary viewpoint. He has entitled

his article "The Lawyer and Capitalism". It was written primarily for his profession. That it was carried in the Bar Journal is indicative of this fact. We opine the title is too restrictive; that it should have been entitled "Every Man, Woman and Child of the Free World' and Capitalism". It merits full and careful reading by our entire citizenry; it is, in our judgment, excellent textbook material for our high schools and colleges.

The author is William J. Palmer, presently on the Bench as Judge of the Superior Court of the City and County of Los Angeles.

Typical of America and enterprise in America, he earned his way through law school working four to eight hours a day for a newspaper.

His is a long and distinguished career as a practicing attorney and in public office. Throughout all these years his writings have been many and vital to his profession, to better functioning of the courts, to equity for litigants and with lessened costs to the taxpayer. His works have been described as "monumental", and properly so. His citations, too numerous to spell them out, include many outside his profession; and we might add, all earned. His civic activities are those of many men rather than one human being.

Proudly, the American Title Association gives you Judge William J. Palmer, distinguished American, and his great work, "The Lawyer and Capitalism".

J.E.S.

THE LAWYER AND CAPITALISM

BY WILLIAM J. PALMER

Judge of the Superior Court of California in and for the County of Los Angeles

I

The Beginnings of Capitalism

Sometime, far, far away in the unsearchable distances of time, a being that moved upon the earth awoke one morning to be the first terrestrial capitalist. He had not consumed, destroyed, discarded or abandoned all the gains of his yesterday's activities. He had attained, if only instinctively, a sense of the future; and he held possession of something which, he felt, would be of value to him, utilitarian or pleasurable. He had discovered the thing that he held, or had captured it, struggled for it, or himself had fashioned it entirely or in part; and he had a feeling that the thing belonged to him, that it was his, now a part of his total self. It may have been a nest, a hole in the ground, a cave; it may have been food, feathers, bones or a hide; it may have been a stone, a stick or a club. Whatever it was, it was a start against future time; to this extent his past efforts had been consolidated; he had something with which to start the new day, something for which he would not have to grub in this new interval of awareness. And, hence, he could direct his attention to other activities, or he might choose a compensating leisure.

From that day to this, the essential and simple nature of capitalism has not changed. It is still waking in the morning and finding that you have something with which to start the new day; something that belongs to you and into which your past labors have been consolidated; something that you did not expend, consume, waste or gamble away; something that makes it not necessary for you to spend this day mulling for raiment to wear, or for food, or for shelter for the storm or for the coming night. Your clothing is ready for you; your breakfast is in the refrigerator and on the shelves; your car is

in the garage; the streets have been paved; an office with its desk, files, books and equipment or a plant or shop with its machinery and tools awaits you; your children are taken to school by bus, streetcar, bicycle or private car; a building with desks, books, blackboards and all necessary equipment is housing them comfortably in the pursuit of education. The day moves by, your office is closed, your tools laid down, and thanks to a thousand items of capital in stores and at home, your wife, although busy at P.T.A., club or church through the afternoon, spreads a wholesome and appetizing dinner before you. Your lounging chair, your pipe, push-button electricity, thermostatically-controlled furnace, newspaper, radio, television, phonographs, books, cards, combine to offer an evening of recreation or enlightenment as your choose. And then to bed: an inner-spring or foam-rubber mattress, clean sheets, a soft pillow, warm coverings and, if needed, an electric blanket!

All this is capitalism, and all this is all there is to capitalism in its essential nature.

II

The Goal of an Enlightened Society

To any adult person of average mental stature these facts must be clear:

1. Capitalism is the natural and necessary incident of the evolution of mind; it is the vehicle of and almost a synonym for progress; it is as necessary to a civilization of any level or quality as oxygen is to human life.

2. The ideal economic goal of any aspiring society is a state of general advancement wherein the greatest possible number of persons are individual capitalists, and the capital that each can call his own is such as to sustain a reasonable pride in personal achievement and to provide

gratification, comfort, confidence and a basis for security.

3. No progress toward that goal can be made by socialism. Its doctrinal essence calls for destroying the individual capitalist, except only in a restricted and always-controlled degree, and for destroying his opportunities. Not confessedly, but by logic and experience, it leads to the atrophy of those faculties of independent initiative, self-confidence, self-reliance, imagination and daring, of the drive of ambition for personal achievement, of the competitive spirit and of the will for voluntary self-directed discipline, all factors in the making of individual capitalists.

4. Manifestly the goal cannot be achieved by government. Wise government, of course, is vital in curbing the libertine and providing the protections necessary for individual development and attainment. Obviously also, government, in varied ways, either can encourage and promote personal economic accomplishments, or can discourage, retard and obstruct them.

5. The ideal economic goal can be achieved only by individuals themselves and hence can be drawn closer only by those factors that improve the quality of individuals.

III

At War: Two Kinds of Capitalism

The reader, perhaps, already is asking, "why the title, 'The Lawyer and Capitalism'?" With assurance that the query will be answered in time, let us now proceed to business having logical priority. A world-wide, fateful war is being fought today between two types of capitalism. At stake in that conflict are not only the earth's capital assets, but the freedom of men's minds. One of the protagonists, which loosely is called communism, in its aggressive campaign to entice and subjugate the human mind, has an expedient in its own fanatical self-deceptions and in its unrestrained approval of beguilement by designed fraud.

The first self-deception and fraud

of communism resides in the premise that it has something which is not capitalism to substitute for capitalism. Clearly there is no substitute for capitalism except to climb into the time machine, push the button for reverse, and travel back through millions of years to a time when no animal on earth had a nontransient nest, shelter, "home" of any sort, tool, weapon or cached food. What communism does is to install, with the support of armed might, the worst kind of capitalism, i.e., monopolistic and gangster, as distinguished from the best kind, the kind that exists in America, which is competitive and open. American capitalism is open because no law or custom bars anyone of any level of society from joining the ranks of the capitalists. This truth has been demonstrated so many tens of thousands of times as to be almost platitudinous. Nevertheless, at this juncture in world affairs, the point cannot be overemphasized, and two illustrations from personal observation will be given.

Open Doors to Opportunity

A few years ago I tried a case whose parties on one side were former noncommunist Russians, two brothers who had escaped the Bolshevik terror and who, in time, had reached America and had become citizens. They had embarked upon a restaurant business, and, through a calendar year embraced within the factual issues of the case, had operated two restaurants. Copies of their income tax returns for that year were produced in court. These two refugees from Russia had paid taxes on a net income for that year amounting to \$120,000 plus some dollars and cents!

On two recent Saturdays my wife and I visited one of the most beautiful churches in the world, the Cathedral of Saint Sophia (Greek Orthodox), Los Angeles. It was founded and in large part financed by a man who, as a boy of 19, and a poor immigrant, came to America from Greece: Charles P. Skouras, President of Fox West Coast Theatres.

In the open capitalism of the

United States, each person's opportunity is measured by his own personality, ability, aptitudes, health, ambition, industry, integrity, imagination and daring, and, in all frankness, let us add the "breaks" of the game. They certainly often and perhaps usually go to those who make them, and they have no significance except as they go to those who are qualified to take advantage of them.

We are told now and then that a "concentration of wealth" exists among a small percentage of families in the United States. (Our wealthy families are independent, belong to no conspiracy and in many instances are competitors. They belong to different political parties, different religious faiths, different clubs and societies, and they read different newspapers, magazines and books.) We have in our country, too, as they have in all countries, a concentration of intelligence, culture, talent, knowledge and leadership. In any regime providing free opportunity, a small percentage will rise to the top. This fact does no social injury if the way is kept open for all persons to strive toward the top and for each to go as far as he can. Indeed, it is the law of progress that a few individuals first must go to the top, to demonstrate the possibilities and opportunities, to show the way, and to help others to follow. Plant a vine, watch it grow, and you will see how human society is carried upward by the individuals who first go upward.

The Diffusion of Capital

Competitive and open capitalism leads to a diffusion of capital which is both impossible and inconceivable under the monopolistic capitalism of the socialist. The data to follow come from the magazine **Fortune**, Volume 46 (September, 1952), page 87:

In 1952, one or more persons in each of 82.3 per cent of all family units in the United States were owners of life insurance. One or more persons in each of 52.8 per cent of those family units owned savings accounts. One or more persons in each



WILLIAM J. PALMER

of 90.7 per cent of those units owned one or more of nine favorite forms of solid investment, not counting the owners of real estate. Millions of our people own real estate. Six and a half million people owned the shares of stock in 5000 corporations, including the 2300 listed on various exchanges. Among these family-unit shareholders, 200,000 received annual incomes of less than \$2,000. But in 1952, we had not merely 5000 business and industrial units in the United States. The average number of operating businesses through that year was 4,043,000 (**Information Please Almanac**, 1954, page 130), representing, no doubt, many times that number of owners.

Shortly we shall see who owns the capital assets under a communist regime.

IV

The Great Delusion

A second self-deception and fraud of communism derives from its foundational premise that the people as

a whole, or the proletariat, can and shall own the capital and economic processes of a country.

The words "own," "belong" and "ownership" are only words. They do, of course, denote a concept to most of us, and that concept is quite well defined in the California Civil Code, section 654:

"The ownership of a thing is the right of one or more persons to possess and use it to the exclusion of others."

It is clear that public ownership, even in its best sense, is a different concept, for no one would contend that public ownership is the right of all of us to actually possess and use a property. Neither would any thoughtful person contend that the mere fact of property standing of record in a government's name makes all of us in reality the owners of it by any concept of ownership that we understand. The few officials who at any given time have control of public property come closest to its ownership in a practical sense which conforms to our concepts of possession and management. Plainly the people as a whole cannot have the control and management of any item of property; nor can they have possession of it, in the sense that individuals singly or jointly can possess property.

In practice the professed communizer is compelled by elemental facts beyond his control either to negate entirely his theory of common ownership or to compromise it. Regardless of beginning sincerity, the tendency, which may be irresistible, always is toward the former course. If, however, compromise is effected or pretended, the approach which it makes to the theory will depend on a number of factors: (1) whether or not the officers in control are in any way subject to our control; (2) whether or not the property is managed with such honesty, efficiency and dedication to social welfare that the public is benefited by that management, as against the results that would accrue to the people from private ownership and management; (3) whether or not all of us share

equally or have a right to share equally or share justly on some equitable and reasonable basis in any benefits flowing from the control and management of the few; (4) whether or not those few who are in actual control and management also control the police, the courts, the lawmaking, the press, the business of publishing, radio, television, education, and all means of communication, and thus whether or not the people who are supposed to be the owners of a property can be and are likely to be served with full and true information concerning it and to be protected in their rights.

Absolute Monopoly

With these factors in mind, let us compare the kind of ownership actually effected by a communistic regime and that exemplified by a typical American corporation. Under communism, a nation's capital assets are in the absolute control of a handful of individuals, over whom the people have no control. This same small group control the lawmaking, courts and all means and avenues of public communication, information and education. They also control the ubiquitous secret police. Having no competition, and no watchdogs over them, and having and exercising power to brutally stifle any criticism or nonconforming expression, they can be grossly inefficient, as compared with good private management, without the public knowing the facts or the cause, or being able to do anything about the matter. Their prime object at all times is to maintain their own position and their own power. At this they are cunning, cruel and relentless. These few actually own the nation's capital assets, and they do with those assets as they please. They are capitalists of fabulous magnitude. They, of course, do not please to dangerously defy or ignore the good will of the people. In spite of all their power, they, too, hunger for plaudits and they harbor continual fear. As Elbert Hubbard once said, "there is no freedom on earth or in any star for those who deny freedom to others". But without any

independent vehicle of information and without any factor of control, the people must accept without audible or visible complaint what they receive from the tyrant-capitalists of communism.

Economic Democracy

A certain typical American corporation has about 200,000 stockholders, no one of whom owns as much as one per cent of the stock. At least once a year, every stockholder has a right to vote for the directors, and he does not even have to be present at a meeting to cast his vote. He may vote by proxy. The voting is voluntary and the counting is honest. Special meetings may be called on notice. The stockholder can sell his interest in the corporation or otherwise deal with it at any time he wishes. It is identifiable, precise, and immediately valuable to him. He has a right to inspect the books of the corporation at any reasonable time. Any question he may put to the management about the business will be honestly answered and with reasonable promptness. To him the directors are legally responsible in the most enlightened moral sense, and they carry that responsibility seriously. They pay him regularly his pro rata share of distributable net income. They also pay regularly to government in taxes, for the use of all the people, a large share of the corporation's income. Their books and financial records are watched over by certain of the ablest certified public accountants, whose professional ideals and obligations require their conscientious efforts in the keeping of honest records and the making of accurate reports. The corporation has competition. It does not control any of the means of public communication or any of the schools or colleges, and it has no control over government. Of necessity, the business is genuinely dedicated to the public welfare, because its profits and its continued existence depend on such dedication. The management-personnel and the directors have been chosen not because they belong to a clique, a gang, a party or a conspiracy, but because of proved ability and character.

Two hundred thousand regular American citizens really own the assets of this corporation, and each actually owns and can deal with his own share, and, what is more, anyone else, no matter who he is, if he has or can save a little money to invest, can become a part owner, too.

In the typical, successful American corporation, democracy has attained its finest and most convincing expression. Compared with it, the communist concept and practice of ownership are such a dissolute sham that even the past in human history would be ashamed to acknowledge a prototype.

V

Workers Betrayed by Communist Theory and Practice

In the communist ideology, the ownership by the proletariat of all the economic processes is a theoretical necessity. It is postulated that only by such ownership can the workers receive the total return from their labor; that they then do not have to share any of the return with stockholders and other proprietors who are a nonproductive class riding on the backs of the proletarian workers.

Howsoever plausible this doctrine may seem to the gullible, any dialectical validity indicated by it fails completely of substantiation in the actual operation of the socialist regime. In the acceptance and advocacy of the foregoing theories reside the third self-deception and fraud of socialism. Before confronting the reasons for the certain failure of the theories, let it be noted by contrast that the real ownership of their own business by workers is an old idea and actuality under open and competitive capitalism such as exists in the United States. Here no law, custom or insurmountable difficulty ever has barred workers of ability, imagination and good character from establishing, owning and conducting their own business. According to the Statistical Abstract of the United States, 1953 (page 197), published by the Department of Commerce, there were in this country in 1950 over

9,500,000 self-employed workers. By their own free choice, these persons owned the businesses in which they worked, and they received all the profits.

The socialist tenet that the workers can receive all that they produce under socialism and, hence, will receive more than workers under competitive capitalism, promptly runs into an impasse when socialists take over. Workers under socialism (monopolistic capitalism) have to be paid a wage to live, just as workers are paid a wage under the competitive capitalism of our country. A difference does exist: the wage is much greater in the latter case. If the worker is to have a share of profits above his wage, profits must be made. But profits are taboo under socialism. They are the supreme evil that socialists propose to end. If any profits were made in one business or industry, to be divided among its workers, those profits would have to be paid by other workers, and thus the sole purpose of socialism would be defeated. So the worker under socialism receives the wage arbitrarily fixed by the rulers, and no more.

Facts That Don't Surrender

Good reasons exist why the few fabulous capitalists who own all the economic processes under communism do not pay higher wages than they do: (1) One reason is that even they must have capital assets—buildings, machinery, tools, etc.—and these must be paid for, maintained and replaced in one way or another, except in so far as they are stolen. Communists do seem to have an initial advantage in their doctrine of theft. Force is an essential part of their creed, not merely to gain control of government, but to effect the theft of the people's property. This method saves capital investment as they see it. The advantage, however, if it is such, is short-lived. Depreciation and obsolescence respect neither theories nor tyrants. Of greater significance is the fact that the unmoral atmosphere and principle of theft, with the concomitant faith in dishonesty, cunning, compulsion and terror, are definite deterrents to ef-

ficiency, economy and zeal in operation and production. And no scheme ever has been devised whereby more can be divided among workers than they have produced.

(2) No Utopian theory alters the fact that the cost of labor is one of the major costs of any operation in the economic field. Sometimes it is exceeded only by the cost of raw materials, and here in America it often is exceeded by taxes. Whether or not the despot-capitalists of communism have a profit-motive, they do have the motive of saving their own necks and their power; they live under the continual fear inherent in the psyche of the tyrant, and, forever fearing the ill will of their subjects, they have an incentive to hold down production costs, and hence labor costs, in each particular industry, lest for its products or services workers in other fields must pay disproportionately. Their ideology provides no escape from the difficult, practical problem of balancing what is paid to labor at one point and what is paid to it at another. Neither do their theories alter the fact that the economic effort in which active persons are engaged under any regime is the effort of trading each his own labor for as much of the labor of other persons as he can obtain.

(3) The worker of the communist oligarchy cannot eat military equipment or find in it shelter or raiment for his everyday needs. No power exists to curb the will of his overlords to divert into the makings of war a substantial part of the worker's effort and production. The licentious exercise of that will is a certain incident of the despots' fear. Neither do the workers of the communist state have any means of restraining their masters from diverting into the sumptuous provision and living of those masters and their courtiers as much of the workers' labor as the despots choose to appropriate.

The American Stockholder: Pillar of a Strong Economy

Now let us take a look at the anathema of socialism, the stockholder under open and competitive capitalism. His investment, derived usually

from his own industry, thrift and savings, is hazarded. Indeed, the stockholder carries all the risk of the business adventure. None of that risk burdens the employee, unless he also is a stockholder, in which case his risk is as a stockholder, not as an employee. None of the risk is carried by government, although, as we shall see, government receives a large part of the profits. This venturing stockholder is not promised the return of his capital or even any sum for its use, except conditionally, the condition being a profitable operation. He takes his risk, knowing that millions of stockholders have lost. No dividend that ever will be paid him will be charged as an expense of doing business. Labor must be paid, taxes must be paid, all other costs must be paid, before the stockholder reaches the river of some return. One of all the fallacies of socialism is that stockholders constitute a class separate and apart from the rest of society. Let us grant that some of them are not engaged in what the communist would call a productive activity. (Neither are millions of persons in any communist hierarchy.) It does not follow, however, that such stockholders are useless members of society or that their dividends, if any, no not benefit society. Quite the contrary is likely to be true. Many stockholders are regular daily workers. They use their stock investments to build up an educational fund for children, a reserve for illness or other misfortune, a source of security in old age, or a capital asset for any opportunity or need that may come their way. Many stockholders or their beneficiaries are schools, colleges, foundations and institutions for various kinds of constructive and benevolent activity. Many of them are habitual investors in launching new enterprises or extending old ones, to provide employment and to serve society with new products or conveniences. Many of them are elderly people whose dividends from their past labor and thrift are their sole support in the sunset years, and who proudly receive no support from government. Many are widows, maintained by

dividends from the prudent investments of husbands now deceased. Many of them are business institutions using the dividends to pay regular monthly retirement allowances or disability benefits to former employees. No dreamer of Utopian dreams ever devised a more certain, healthier, socially-beneficial method of caring for the widow and the elderly, of maintaining private educational and other cultural institutions, and of financing charitable activities, than dividends.

Fair, Intelligent and Democratic Authority

The existence of stockholders has an incalculable effect upon the efficiency and economy of business management. Directors, officers, executives know all that has been written here and more about stockholders. They are aware of all that depends upon their management. Unlike the few supreme overlords of totalitarian capitalism, officers of American corporations are servants of a fair, intelligent and reasonable master, the stockholder. To that employer, the managers, with rare exception, account for their stewardship in accord with the finest traditions of honor and of trust responsibility.

We need to note another fact to appreciate the amazing contribution of the stockholder to our economic well-being. Before me are data concerning three typical American corporations. The data reached my files in a random way and without any selection. The reports could be thrown away, and any of numerous substitutes could be used to tell a similar story. In the goods and services alone which they economically provide society, these three corporations are institutions of inestimable social value. But look! In a recent, unexceptional calendar year, one of the corporations paid taxes in a sum equivalent to \$5.50 a share of its common stock; but it paid to its stockholders dividends of only \$2.00 a share. Another paid to the Federal Government alone taxes equivalent to \$6.77 a share of common stock, a sum two-and-a-half times greater

than the dividend paid! The third paid taxes amounting for each share of common stock to two-and-a-half times the dividends paid.

So this is our American stockholder, the man or woman who takes all the risks of business, prepared in spirit and fortitude to suffer its losses, providing all the buildings, machinery and tools for the workers, paying them the best wages in the world, and delivering over to government, which has carried no risk and no responsibility, for the use of all the people, two-and-a-half times as much a share as the stockholder himself receives. And he, too, pays additional taxes on what he receives!

VI

A Handful of Planners

A fourth self-deception and fraud of the socialist comes from the hypothesis that a handful of planners in control of a nation's economic processes can plan and handle those processes to better advantage for the people than the people can if free to use their own resources and resourcefulness, their own inventiveness and genius, and to direct their own energies to the supplying of their own and others' needs and wants.

Experience has given reasonable minds consistent, persistent and altogether adequate proof of the delusive quality of this Utopian dream. In American history we had an early lesson in the falsity of the hypothesis. One significant reason why the English colonies made greater economic progress than the French was that the former had more independence of initiative and action in economic affairs and fewer directives and restraints from the planners at home.

But if trial and experience had not proved convincingly the falsity of the hypothesis, its error would be clearly indicated by known natural facts. Nature does not concentrate her resources into the possession of any few entities. Billions of stars and millions of galaxies are in her heavens; on earth, the variety of her creation, in relation to any person's knowledge, is infinite; among human

beings, aptitudes and capacities are so widely distributed that no one can foretell where talent, extraordinary ability, or genius will crop out. In this fact lies the second most cogent, practical justification for freedom. (The first lies simply in the spirit of the individual man, which no other person has authority to dominate, and in the inalienable rights that derive from that fact.) Men must be free if society is to receive what nature intends that it shall have and what she is prepared to give. No handful of dictatorial planners can even conceive more than the tiniest fraction of the varied contributions that people, if free, could and would make to cultural and economic advancement and to varied utilitarian values in their society. This would be true even if the dictator-planners were persons of extraordinary wisdom, intellectual fertility, character and understanding. But they never so qualify. The world has seen a few good absolute monarchs, but none of them, in his wisdom, ever undertook what the absolutists of communism presume to do. Only little men profess to know enough to run everyone's business. It is that little man, at times definitely psychopathic, who, having been given or having acquired in some way a ruling authority, becomes the arbitrary planner for a nation's economic activities. It is that little man, sometimes a madman, who, in his fear, surrounds himself with a labyrinthine army of secret police, closes all the channels of free information, discussion and education, and confiscates much of the energies of his subjects to bulwark himself and his co-conspirators with Cyclopean armament not needed for any honest or constructive purpose. It is that little man always behind the promulgation of an ideology that makes the individual only a pawn and a helot of a mythical god called "the state", a premise derived from either a profound ignorance or a licentious lust for power.

Done By an Individual

By contrast, competitive and open capitalism recognizes and utilizes the

truth that no "state" or "society" or government ever invented a tool or a machine, wrote a poem or book, composed a song or a symphony, played a violin or a piano, painted a picture or carved a work of sculpture, preached a sermon or delivered a speech, drafted a law or drew a contract, devised a set of financial records or balanced an account, attended the sick or cured the diseased. In a regime of competitive and open capitalism we know that all such achievements and services and a thousand more of kindred significance are done and performed by individual persons, each a self-aware, self-disciplined spirit that can best serve society through the guidance of his own inspiration, ideals, intuition, intelligence, self-knowledge, judgment, will and ambition. Cooperation and teamwork, yes. But a man does his best teamwork when he acts voluntarily and with his own understanding and approval of the project and methods of the team. In short, open and competitive capitalism is keyed to nature and to facts. and as Goethe said, "there is no trifling with nature. . . . It defies incompetency, but reveals its secrets to the competent, the truthful, and the pure."

VII

Classes and Opportunity or Castes and Slavery

A fifth fraud of communism is its promise to produce a classless society. It is extremely doubtful that anyone at the core of a communist movement or government believes in this promise or intends that it be fulfilled. But it makes a seductive delusion for the hate, envy, jealousy and vandalism that are the dominant emotions of the communist following.

No reason, of course, can be given why we should have a classless society. We would find it difficult to imagine anything more insipid or discouraging or more deteriorating to the human species. We might as well advocate a classless school, wherein all of us would remain in the kindergarten. Or, from cognate folly, we might propose classless

trees, vegetation and animals, or assembly-line humans with no change in models.

Nature herself, abhorring monotony and sameness, is the great classifier. Although she has created by a process of evolution, two amazing facts about her creation are its infinite variety and its numerous sharp definitions. She has made human beings as different as they can be and still have enough in common to be identifiable as members of the species.

A classless society is an impossibility. But in a wise, cultured and kindly civilization, every class into which people naturally group themselves by their common interests and skills, their kindred education, comparable means, intelligence, culture or success, will have two doors, one for entrance and one for exit, neither of which will be controlled by heredity or autocracy. Thus the existence of every class tells us all that we, too, might belong to it if we wish and try, if we fittingly equip ourselves, or if the "breaks" come our way as they may. And thus it is that under the competitive and open capitalism of the United States, no caste exists, and no class exists except the natural, fluid groupings of people, and none exists with a closed door.

The Inevitable Caste System of Absolutism

Compare this with the rigid, despotically controlled class system of Russia. (Of interest: "I Escaped to Speak for the Enslaved" by Dr. Marek S. Korowicz, *Life*, March 1 and 8, 1954.) Her people are divided broadly into four classes, and no one moves from one to the other except by the will of the masters. At the bottom are the abject slaves. Next above them is a class composed of the greater part of the population and who fittingly might be called the ordinary or the beguiled slaves. Not all of them are beguiled, to be sure, but the intention of the rulers is that they shall be. Give the rulers a few more generations in which to pursue their program of maleducation, and their intention could be



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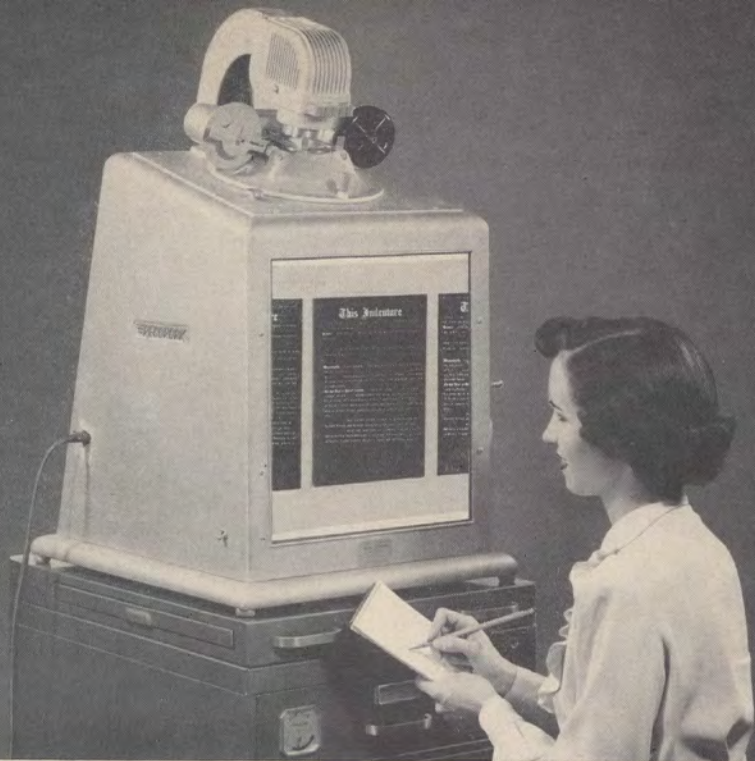
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realized. Members of this class are allowed bits of freedom in areas involving no risk to the ruling caste and no loss of thought control. The next higher class may be called appropriately the preferred slaves. They are selected persons whose knowledge, talents, skills or unquestioning loyalties are deemed necessary or of special value to the oligarchy. This class includes scientists, engineers, entertainers, artists of various kinds, athletes in state training to display the Russian prowess, teachers, minor government agents, and others of exceptional usefulness. Within this class itself exists a rigid hierarchy, and referring to it as one class is justified only by relativity and comparison. Members of this caste are allowed a good deal of freedom, paid much better than the beguiled slaves, and given other privileges. An indoctrinated member of the class might believe that he was not a slave, but he would be abruptly disillusioned if he expressed a nonconforming idea. The top, most favored, and most highly paid class in the sharply defined communist hierarchy is composed, of course, of the rulers, their courtiers and entourage.

It is true that when taking over a country and appropriating to themselves all the property of all the people, the communist conspirators liquidate the previously existing **bourgeoisie**, always anathematized in communist ideology and propaganda. The captors do destroy the previously existing "classes". But forthwith the old classes are replaced by new ones, more arbitrary, more autocratic, more ignorant, selfish, exclusive and cruel than the classes replaced.

VIII

The Profanation of Leadership

A sixth fraud of communism is its promise to establish a dictatorship of the proletariat. This promise is alluring bait for simpletons; it never is fulfilled, nor could it be; but it helps the conspirators, in gaining control of a country's capital assets, to use mob psychology and the elemental ignorance, hysteria and cruelty of the mob.

No rationale ever has been or will be formulated for a dictatorship of the proletariat. It would be equally absurd to advocate a dictatorship of seamen over the navy, of privates over the army, of freshmen over the university, or of janitors and elevator operators over the department store. The term, itself, "dictatorship of the proletariat", is a self-contradiction. When there are more than one dictator, either the dictators must agree or one or more dictators disappear. In his book, **What Happens to Communists?**, Michael Padev points out that since 1917, the following Russian Soviet high officials have been shot as spies or traitors:

"Nine of 11 Cabinet ministers holding office in 1936.

"Five out of seven presidents of the last Central Executive Committee.

"Forty-three of the 53 secretaries of the Communist Party Central Organization.

"Fifteen of 27 top Communists who drafted the 1936 constitution.

"Seventy out of the 80 members of the Soviet War Council.

"Three of every five marshals of the Soviet Army.

"All members of Lenin's first post-revolution Politburo, his inner cabinet of 1917—except Joseph Stalin."

Under communist ideology all citizens of a country, after the necessary liquidation of nonconformists has been accomplished, belong to the proletariat. If they were to be dictators over themselves, how would they learn what dictates they might agree on except by a full, free and secret ballot? And if they disagreed, how would they reconcile their disagreements except by the principle of majority rule? If they really pursued these methods, they would have a democracy, not a dictatorship. But such methods, of course, are not pursued.

IX

Profits, an Essential of Freedom

Communists and those who would prepare the way for them in this country have been badgering the word "profits" for decades until to-

day, if the word bears a connotation of evil to naive minds, including some among the clergy, college students and faculty, we ought to be sympathetic and to venture not criticism but earnest enlightenment. In their efforts to inoculate this sinister connotation, communist conspirators have practiced a seventh fraud upon the human mind.

If you invest all your savings and borrowed capital, too, in a business venture, work sixteen hours a day to launch your project and carry it over the rugged pioneering hill, shoulder with your family all the burden and nervous strain of your risk and its uncertainty, finally reach a year when your income is greater than your expense, grow so you can provide employment for others and pay them good wages, you will have become, in communist ideology, an exploiter of your fellow men, your employees, and they will be "wage slaves". This will be so because your business will have made profits (your compensation for your risk, worry, ability, imagination, labor, creation of jobs for others, and all your service to society).

People whose compensation is called "profits" are people, too. Throughout history, in commerce and morality, it generally has been recognized that if X makes his funds available to Y so that Y can use them as if they were his own, X is entitled to a fair compensation for the use of his property and to its return at an agreed time. The validity of this universal principle is never questioned except upon total negation of the concept of private property.

Insofar as a share of profits is paid to a person not active in a business, it is only the traditional compensation for the use of his funds. Profits gained by the active owner of a business are his compensation for both the use of his funds and his services. The only essential difference between those profits and the wages of his employees is that the latter involve no risk of capital and are much more certain. If the profits prove to be the greater, that fact is an incident of the greater hazards and re-

sponsibility and all that they have involved.

Profits, Achievement and Progress

In the United States thousands of persons receive "wages" which are envied by thousands of business owners, who receive only their profits when any are made. If one man's profits seem too high, so do another man's wages. These are relative matters, and under competitive and open capitalism—if it is really kept competitive and open at all levels—a tendency toward reasonable balance and relationship always is at work.

To economists, the term "profits" has a restricted meaning which I intend to respect. But we should recognize the identity of nature in the profits of a business and the margin of accumulation, reflected in possessions, which any person gains from his wages, salary, commissions, royalties or other compensation, over the cost of the consumable goods and services purchased by him. The significance in each case is merely that the receipts have been greater than the running necessary expenses.

Broadly speaking, civilizations have built the tangible structures of their cultures in either of two ways: (1) out of the compulsions of government and despots, and the slavery of peoples; or (2) out of the profits of the self-directed activity of persons, taxed or voluntarily given. We of America would be tragically unappreciative and dangerously purblind were we not to recognize that all the tangible asset of our civilization, all its institutions of education, culture, entertainment and inspiration, have been created from the profits and kindred margins of accumulation of many persons acting in freedom.

The Pivotal Distinction

In 1953 the meat-packing industry of our country gained a net income of seven-tenths of one cent on each dollar of sales. For each five dollars in sales, it kept three and one-half cents! In the same year, the chain food stores, providing a marvel of service, gained a net income of one

and one-tenth cents on each dollar of sales. Not the faintest probability exists that these vital services ever will be performed so well or so cheaply in a society whose economic processes have been seized by a political-police monopoly.

In this matter of profits, we have the pivotal difference between competitive and open capitalism, on the one hand, and monopolistic capitalism, whether called socialism or communism, on the other. The purpose and method of open and competitive capitalism are to use profits, whether so-called, or called wages, salary, annuities, royalties, rents, dividends, retirement payments or by other name, to make the greatest possible number of people independent of the state and independent of the charity of others. With human nature as it is, the results will fall short of perfection, but they, nevertheless, will be comparatively successful and remarkable. Having achieved them, competitive and open capitalism then provides the profits, or even capital assets, if necessary, to care for those who have not reached such independence, or who, once having gained it, have lost it.

The purpose and method of communism are to deprive everyone of profits and thus make everyone wholly dependent upon the state—or, rather, on the few who rule and who call themselves the state.

Because profits are the lifeblood of any system of free economy, those who would prepare the way in this country for a communistic monopoly never miss a chance to asperse or belittle the genius behind all our profits, the American business builder and executive, or to destroy or reduce his profits. You will find them lending their support to every proposal and project (sometimes as the originating schemers) that either harasses, or promises opportunities for the harassment of, or depreciates that businessman.

Three Channels of Economic Activity

The Machiavellian minds behind this preparing of the way appreciate more fully than many legislators and

political executives the significance of the following facts: In a free economy, people obtain gainful employment through three channels: (1) self-employment, (2) private institutions owned by others, and (3) government. Obviously, the greater the employment in channels 1 and 2, the lighter the burden on government. It would seem to be apparent to most adult minds that a wise government would do everything within its power to encourage employment in channels 1 and 2, and would adopt no measure or policy without first putting it to the test: What will the effect of this be on employment opportunities in private enterprise? Only profits make such employment possible.

Cycles of higher and lower activity and their accompanying psychological cycles are not only inevitable in any sound economy but, within limits, are beneficial. It is during periods of reduced activity that the best thinking, house cleaning, planning, and self-disciplining are done in the economic structure. Such periods are pruning times; roots are strengthened and driven into new soil; and, following every recession and depression, the economic organism of a free society burgeons with renewed vigor and variety. But you will observe that the first and only thing some persons and groups want us to think about when a business cycle enters the downward trend is not how to encourage, support and strengthen channels 1 and 2, but how to throw the government into large-scale employing business.

How "It Could Happen Here"

The government is not a producer of wealth and has no money to pay workers, except only what it collects from the producers. Government is merely the transfer agent; it may create the jobs, but to pay the wages it takes the money from the privately owned economic structure. In so doing, especially if intemperate, it can start a vicious cycle. If the self-employed and the private employer of channels 1 and 2 already are harassed, the taking of their funds to pay for government jobs, the cre-

ation of government competition with capital drawn from them, and the imposition of other burdens, can reduce both their capacity and their spirit to provide employment. (This possibility is not fanciful. I am only one person, but I have known several instances of business closing down or refusing to expand because of the discouraging policies or practices of, or the atmosphere created or the interferences or obstructions allowed by, government.) As such effects multiply and deteriorate the economy, those who know no method of solving any problem except more law, more government and more taxes, would throw the government further into the business of directly providing employment. In this way, as communists know, totalitarianism can come to America, not by choice of the people, but by our innocence, the self-seeking of candidates for, and holders of, public office, and by our being victims of the craftiness, hypocrisy and deception of the communist conspirators.

It should be made known to every American citizen who wants to be free that the *sine qua non* of his freedom is profits.

X

According to Their Faith, Character and Industry

Communists have a pretty slogan which, no doubt, is enticing to many idealistic persons: "From each according to his ability, and to each according to his need." By this slogan, they practice an eighth fraud upon the credulous.

It should be clear that only God could fulfill such a promise, for aside from the necessary mechanics of the project, only He could search the minds and spirits of men, know the capacities of their minds and bodies, and thus be able to determine their abilities and needs. Henry David Thoreau proved that man really needs very little in the way of material goods and services. Perhaps that fact is what the communists have in mind. Their results would so indicate. However, Thoreau and all the philosophers and ascetics who

have proved the same point have had intangible, spiritual resources, which communism not only does not provide, but denies. Its materialism and atheism are throwbacks, placing it thousands of years in the rear of the forefront of evolution. Its doctrine that man is a mere creature of his material environment and is molded in the image thereof has been proved false innumerable times. Mere physical environment, from that of poverty to that of luxury, has a sorry record in the matter of establishing dominance over the human spirit. It is when we consider the intangible factors in that environment—religious faith, prayer, intelligence, love, understanding, trust, patience, the art of teaching, integrity, character and ambition—or the absence of such factors, that environment challenges heredity for supremacy in influencing and molding the human mind and character. And when those spiritual factors in environment are combined with the same factors in heredity, the results can be prodigious. Let us note one example:

An American Family

David Dudley Field (1781-1867), a graduate of Yale, was a Congregational minister. He held two pastorates in a life of long usefulness, one at Haddam, Connecticut, the other at Stockbridge, Massachusetts. His wife shared his faith, wisdom and principles. Their restricted material circumstances were typically those of the clergy of their time and of most clergymen today. Their children were: (1) David Dudley Field, active member of the New York Bar for over fifty years, known as "The Father of American Legal Reform" pioneer and persistent advocate of codification, of whom Austin Abbott said: "For at least a third of a century, David Dudley Field was the most commanding figure at the American Bar." (2) Matthew Field, engineer, who built the longest suspension bridge of or before his time. (3) Jonathan Field, lawyer, highly respected leader of the Bar in Massachusetts, who revised the statutes of that state. (4) Stephen J. Field, an

early Chief Justice of the Supreme Court of California, and a Justice of the Supreme Court of the United States for thirty-four years and six months, serving longer on that court than any other Justice. (5) Cyrus W. Field, financier, railroad developer, one of the original projectors of the elevated railroad system of New York City, and the man who projected, promoted, and achieved the laying of the first Atlantic cable. (6) Henry Martin Field, a distinguished clergyman, editor and author. (7) Mary, who died when but a young woman, and (8) Emelia Ann, who married a missionary and mothered a son who became a Justice of the Supreme Court of the United States, David J. Brewer.

Manifestly the very tenets of communism prevent it from knowing or providing what each individual needs. But even if we confine the meaning of the slogan to physical goods and tangible services, we are confronted by the necessary implication and the fact that the few turgid capitalists who rule the communist state set the measure of everyone's needs. By the ideology of these overlords, the individual has no needs not subordinate to those of their golden calf, the state.

Ability, Spirit and Freedom

On the other side of the equation, the side that reads "from each according to his ability", the communist tenets and methods again make performance impossible. Society never can receive from each according to his ability when minds and thoughts and bodies are controlled by the force and oppression of dictatorship. As previously pointed out, the individual can find his ability and develop it only in freedom, in the self-choice of interests, opportunities, truthful information and learning, and in the motivations and enthusiasm born of freedom.

Napoleon, in reflection wrote: "Do you know what amazes me more than anything else? The impotence of **force** to organize anything. There are only two powers in the world—the spirit and the sword. In the long

run the sword will always be conquered by the spirit."

Real human beings, men and women not cowed by masters, want more from life than their physical needs. A social, political and economic scheme that promises no more does not promise much. Above all, they want the gratifications that come from independent, self-directed achievement and from the service of others through that achievement. No gratification comes from being compelled by tyrants to serve. The aspiring musician does not practice eight or more hours a day for years just for his physical needs. Neither for such a bare recompense does the medical student pursue the long grind of preparation for a great and necessary service to society. Open and competitive capitalism, rather than any other scheme of political economy, has provided the most widespread opportunities for, and has created the least interference with, the gaining of the finest satisfactions in human life. Under its freedom and its generous support of religious institutions, even if one wishes to be an ascetic or to seek Nirvana, he may do so.

From the Strength of the Individual

All enlightened persons, all reasonable persons, wish for the welfare of all peoples. They wish also that human society may be impregnated with the spirit of kindness. They do much to promote those ends. But they know that the weak, if they are to be helped, must be helped by the strong and that to destroy or prevent strength in individuals is to promote weakness generally. They know that no human society can be stronger, more resourceful, intelligent, courageous or better informed than the individuals who compose it. And they know that unless founded on these truths, no so-called welfare state can long be a welfare state.

Before me is a clipping from a dependable newspaper. It carries a factual story about the work of a charitable agency set up to help refugees from behind the Iron Curtain learn about and adjust them-

selves to our kind of civilization. One of the kindly women in charge of the work is quoted as saying to the reporter: "It's a trial sometimes. Some of these people are 50 years old and still have to be told like children what to do. That's how they lived in the old country. They were never encouraged to use their own ingenuity or imagination."

In this wholly sincere and artless comment, we have the ultimate test that must be faced by every government before the judgment of humanity and of God: Did it encourage and inspire its people individually to use their own initiative and imagination, to develop their own capacities and to be self-reliant and self-sustained?

XI

Who and What Have Failed

A ninth fraud in the red conspirators' design, probably not a self-deception except to a duped contingent, is a propaganda piece that has been assimilated by a number of teachers, professors, clergymen and young people right here in the U.S.A. It consists of the two clichés that "capitalism has failed" and "capitalism is doomed". We ought to recognize the promotion of these ideas as a master stroke of propaganda-psychology. They are at the heart of every communist message in schoolbook, on campus, to labor union, or elsewhere.

Insofar as these slogans are an unconscious projection of what the red conspirator deeply knows about his own brand of capitalism (in the manner that a dishonest person unconsciously projects his dishonesty upon others), they, no doubt, speak truthfully. The monopolistic capitalism of socialism is a demonstrated failure and may reasonably be regarded as doomed whenever installed. It might be more appropriate to say that under it the normal development of the human mind and spirit is doomed.

If you will try to learn from anyone who appears to have imbibed the ambiguous watchword that capitalism has failed, or who parrots the

cliche, just what he means by it, you will have great difficulty. Your attention may be directed to poverty, hunger, disease, illiteracy, mistreatment of employees by employers, mistreatment of tenants by landlords, and other undesirable conditions existing in countries where the private ownership of property has existed. (You probably will not be told of the mistreatment of employers by employees or of landlords by tenants.) But many other factors also are concomitants of such unfortunate conditions, and nothing is proved as to cause and effect imply by the fact of coexistence. The stark truth that confronts us in all history and everywhere is that **people** have failed (not all people, not the species as such, but many), failed to measure up to ideals we now entertain, failed under every system, every kind of government, every kind of regime. (Also, let it be noted appreciatingly that numerous persons have succeeded wondrously.) Three facts that Utopians seem never able to grasp are: (1) that **people**, not gods, will have to work the social, economic, political and physical machinery the Utopians intend to construct; (2) reasonably good sense requires that societies, regimes and governments be judged **comparatively** before we choose one from the others, and not by an absolute, idealistic criterion, against which all will be found wanting; and (3) the folly of destroying the sound, demonstrated values of a regime, merely because people, being people, cannot and will not gain or receive equal benefits under it or under any scheme that the human mind can imagine.

The "Phoniest" of Deals

What the red agitator really says when he tells us that capitalism has failed is this: "The private ownership of property has failed; therefore, help a few of us to seize, own and control all property; we will liquidate the people who have owned it in the past, regardless of the industry and qualities of character by which they came into such ownership; we will manage the property

—and manage you—better than they did. Not only let us have the property, but surrender to us your freedom, and your reward will be that we will take care of you from the cradle to the grave." The deal needs only to be stated frankly to reveal its own absurdity and to draw the repugnance of every sane person of moderate or greater intelligence, imbued with a normal sense of justice.

As has been indicated already in this treatise, except for such spiritual understanding as man has gained and the warmth and enlightenment that have radiated from men of spiritual understanding, nothing connected with our mysterious journey on this planet has done so much to help so many people succeed, and to express themselves helpfully to society and gratifyingly to themselves, as the private ownership of property, and open and competitive capitalism. In productive capacity and in originality, variety and economy of production, no social, economic or political regime in all history can stand comparison with the achievements of our own people under our kind of capitalism.

As for the future, everything depends on the wisdom and character of our people. If we are to give a growing population what it wants in material goods and care; if we are to resist the terrific pressures for a universal-care-and-control-state, or to yield to those pressures without loss of freedom or of productive capacity; if we are to sustain the deceptions, incompetency and waste induced from human nature by a state-care-for-all regime; it may become necessary to abandon our primitive monetary system, now a millstone about our neck, and in spite of which the tremendous drive of our open and competitive capitalism has achieved its unparalleled successes.

XII

The Mind in Contortion

There have been persons, a few of them distinguished, who, in sincere and Christian-like concern for humanity, have been socialists of one degree or another. But the current

movement for monopoly which is called communism is an offspring not of love and enlightenment, but of hate, envy, lust, vandalism and ignorance. Its specious dialectics and its motives require the atheism that accompanies it. By its atheism it makes man the supreme being of this corner of the universe, and it fortifies the position of any particular man as sovereign who can so establish himself by cunning and might. Thus it releases men from responsibility to a higher intelligence and from any reason for obedience to natural or moral law. And thus it authorizes dishonesty, theft, cruelty, murder and aggressive war to serve its ends. After a human mind has been contorted into the malformed framework of these falsehoods, its whole view of life is distorted. A mind cannot be pressed into such a misshapen mold and see facts, feel intangible factors, or think, as normal persons do.

Communist proselyting has two appeals which are denied to both democracy and competitive and open capitalism. The first is to the gangster spirit which lingers dormant in much of humanity. In normal American boyhood, that spirit works itself off in the playing of "Cops and Robbers", cowboys, American Indians, the villains of the early West, pirates and their caves, bandits and their hide-outs, and similar imaginative adventures. Some of our intellectuals, real and pseudo, never had such boyhood experiences, and the gangster in them waited the furtive appeal of the red plotter. He invited them into the most ambitious gangster movement in history. The second appeal is to ignorance of those truths that can be learned only from intelligent and honest consideration of practical dealings with people and human affairs. The greater the ignorance, the stronger the appeal.

For democracy or our kind of capitalism to use either of those appeals would be to court disaster, for the ultimate success of both is conditioned upon the prevalence within the structure of a high degree of intelligence, understanding, practical judgment, and integrity.

XIII

The American Lawyer, His Record and His Challenge

What has been the relationship of the American lawyer to our system of open and competitive capitalism and to its conflict with the monopolistic tyrannical capitalism of communism? The author, a lawyer, has not presumed in writing this article to state truths not already generally known by his fellows of the profession. It has been his hope, rather, to articulate the knowledge and thought of American lawyers, and thus to let all know that we have not been deceived by the stratagems of communism, that we have looked beneath its tinsel and its garish facades, and that we hold it in profound contempt.

In this we are proud of our record. We are disappointed that even a few lawyers have been communists, as, no doubt, a few have been. Although we shall do our best to see that any person charged with and denying such regression receives a fair trial, we shall not defend the regression. One communist lawyer in the United States is too many. We shall not cry about "witch-hunting," "red herring," "academic freedom", "suppression of thought", or "abuse of constitutional rights" merely because a few members of our profession have been called before legislative committees to answer simple and clear questions about possible connection with the communist conspiracy. Neither shall we proclaim that because these events have taken place we have grown weak or fearful, and no longer dare speak our minds. Neither shall we please and encourage communist conspirators by joining reckless smear attacks against those who sincerely strive to expose subversive activities against us.

Where Reconciliation Is Impossible

In addition to showing where we stand in relation to the world conflict between the two kinds of capitalism, this writing has had the purpose of proving the existence of facts disqualifying communists from

the practice of law in this country, in addition to the red conspiracy's avowed objective of overthrowing our government by force. That fact certainly is reason enough, but it is not the only reason. This treatise, I believe, has expressed the understanding of nearly all lawyers of our land that no reconciliation between the ethics of the American legal profession and the beliefs, attitudes and practices of communists is possible. They are two opposite poles of thought and faith. Both cannot be trusted to serve the best interests of our country. A lawyer cannot sincerely subscribe to those ethics and at the same time lend support to the propagation of communism. He cannot without indefensible hypocrisy accept from our society one of its highest privileges and stations while harboring intentions to destroy the very traditions and values from which the privilege and station derive their significance.

Finally I am convinced that unless lawyers zealously dedicate themselves to the business of saving our regime of competitive and open capitalism, it will disappear from our beloved land in favor of monopolistic state capitalism, with all its paralyzing effects upon the human mind and spirit.

From Gratitude to Vision and Vigilance

That dedication must transcend all petty politics, party lines, party interests, and all the cheap, ridiculous sophistries hurled in party conflict. Our profession is the only one that has had the training and experience in detecting deception, proving fraud, and fighting craftiness, to qualify it for leadership in the fight against the preparers of the red way. I believe that we owe this leadership to our country. Without claiming perfection in our system of capitalism, we know, appreciate and have received its many values. We know that under it we have not been the controlled hirelings of despots, but free men with immeasurable opportunities. We know that our profession has its life, vitality and self-respect within the ideological and

tangible structures of such capitalism; that most of our employment derives from the myriad interests, projects and problems born of the imagination, daring and activities of such a regime; that our compensation has been paid from the capital of millions of capitalists, small and great; and that numerous members of our own profession have risen from poverty to distinguished positions of executive responsibility in

the commercial world. We know that the world war being fought today for the control of the earth's material assets and for the control or freedom of men's minds is a life-and-death struggle between two kinds of capitalism: the worst kind, total monopoly in the hands of gangsters who call their system "communism"; and the best kind, open and competitive capitalism like that of the United States of America.

Wrote a Past President of the California State Bar Association:

"A reprint in the hands of every high school senior and each college freshman would be a help to the country". A Federal Judge wrote: "I wish the article could be reproduced in every section of the United States and in literature that would reach the people . . . I have been in Russia and I know how accurately you describe conditions there."

We consider Judge Palmer's treatise "must" reading for all, notably to help those who may wish to know the truth. With this thought in mind we have asked our printers to keep type of this issue of "Title News" standing and will accept orders from member companies which may wish this marvelous treatise shall have wider distribution. In considering this point you might think about the entire staff of your company, of educators, of your local Bar, of officers and/or members of your civic groups, the clergy of your community, veterans' organizations, your libraries, etc., etc.

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