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Decentralist Intellectuals and the New Deal

EDWARD S. SHAPIRO

ALMOST a decade ago William E. Leuchtenburg noted that the full intellectual history of the 1930s has yet to be written.¹ The earliest treatments of the Roosevelt era were primarily the work of historians sympathetic with economic and political collectivism. Their studies have largely shaped historical understanding of the intellectual history of the New Deal era. Their emphasis was upon intellectuals such as John Dewey and Reinhold Niebuhr and journals such as *New Republic*, *Nation*, and *Common Sense*. Their work virtually ignored intellectuals and journals with other interpretations of the economic crisis of the 1930s. Especially unfamiliar to many historians is a small group of intellectuals who, calling themselves "agrarians," "distributists," and "decentralists," argued in behalf of a peaceful, middle-class revolution leading to the widespread distribution of property, the decentralization of economic and political authority, and the decentralization of the city.

The decentralist intellectuals included Southern Agrarians, historian and journalist Herbert Agar, contributors to *Who Owns America? A New Declaration of Independence* and *Free America*, and members of the Catholic rural life movement. The Southern Agrarians were famous for *I'll Take My Stand: The South and the Agrarian Tradition*, published in 1930 in order to dramatize the plight of southern agriculture, and for their opposition to big business and the rapid industrialization of the South. Agar, perhaps the most important of the decentralist intellectuals, had been influenced by the English Distributist movement of Hilaire Belloc and G. K. Chesterton while living in England during the late 1920s. After returning to the United States, he was instrumental in the publication of *Who Owns America?*, a collection of articles by agrarian and non-agrarian decentralists

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¹ William E. Leuchtenburg, *Franklin D. Roosevelt and the New Deal, 1932-1940* (New York, 1963), 361. The argument of this paper is more fully presented in Edward S. Shapiro, "The American Distributists and the New Deal" (doctoral dissertation, Harvard University, 1968).

eager to formulate a political program acceptable to all varieties of decentralist thought, and in the founding of *Free America*, the first magazine devoted exclusively to the dissemination of decentralist ideas. The most significant statements of Catholic rural, social, economic, and political thought were made by John A. Rawe, Edgar Schmiedeler, and contributors to *Catholic Rural Objectives* published in 1935, 1936, 1937, and 1944.²

The decentralist intellectuals were primarily concerned with reversing the trend toward large-scale industrialization for which they blamed the dispossession of the propertied middle class of shopkeepers and small manufacturers, the creation of a depersonalized and propertyless working class, and the centralization of economic and political power into fewer hands. They feared economic giantism was leading to an oligarchic or a socialistic state which would carry economic centralization and the dispossession of the middle class to their logical conclusion. Moreover, they believed that the federal government's policies toward big business during the 1920s, especially high tariffs and rigged prices, had created an imbalance between production and consumption which was responsible for the Depression.³

Decentralists predicted that liberal reformers who wished to retain the basic structure of large-scale industrialization while meliorating some of its more unfortunate effects would eventually either be coopted by the plutocracy or become more radical upon recognizing the superficiality of their reforms. For the decentralist intellectuals, even Marxism was essentially palliative. As Allen Tate, one Southern Agrarian, wrote to literary critic Malcolm Cowley, "From my point of view . . . you and the other Marxians are not revolutionary enough: you want to keep capitalism with the capitalism left out." Tate claimed that only a program looking to a return to the widespread ownership of property had a chance to overthrow capitalism and "create a decent society in terms of American history."⁴

² Virginia Rock, "The Making and Meaning of *I'll Take My Stand*: A Study in Utopian Conservatism, 1925-1939" (doctoral dissertation, University of Minnesota, 1961); Herbert Agar, *Land of the Free* (Boston, 1935); Raymond Witte, *Twenty-Five Years of Crusading: A History of the National Catholic Rural Life Conference* (Des Moines, 1948).

³ Herbert Agar, "Introduction," Herbert Agar and Allen Tate, eds., *Who Owns America? A New Declaration of Independence* (Boston, 1936), vii; John Crowe Ransom, "What Does the South Want?" *ibid.*, 83-84; Herbert Agar, "Private Property or Capitalism," *American Scholar*, III (Autumn 1934), 396-403; Luigi G. Ligutti and John C. Rawe, *Rural Roads to Security: America's Third Struggle for Freedom* (Milwaukee, 1940), 41; John Gould Fletcher, *The Two Frontiers: A Study in Historical Psychology* (New York, 1930), 297; Andrew N. Lytle, "The Backwoods Progression," *American Review*, I (Sept. 1933), 434. The Southern Agrarians, concerned over the threat of industrial communism, considered calling their book "Tracts Against Communism." Rob Roy Purdy, ed., *Fugitives' Reunion: Conversations at Vanderbilt, May 3-5, 1956* (Nashville, 1959), 207.

⁴ Daniel Aaron, *Writers on the Left* (New York, 1961), 352-53, 458. See also Herbert Agar, "The Ideal We Share," *New Masses*, XIX (April 7, 1936), 27; Herbert Agar, "John

The other major threat to a propertied society, the decentralist intellectuals argued, was urbanization. For them the distinctive features of the metropolis were a dispossessed working class controlled by demagogic political bosses, the popularity of ideologies emphasizing collectivism and class conflict, and the monopolization of private property by a financial and business plutocracy. Catholic decentralists asserted that urbanization was responsible for increasing secularism among Catholics, the declining number of persons entering religious vocations, and the growing discrepancy between the birthrate of American Catholics who were primarily urban and the higher birthrate of the moral, rural-oriented Protestants.⁵

The post Civil War growth of factories and cities had, according to decentralists, sharply divided American society into opposing factions. While one faction, centered in the Northeast, admired economic centralization and generally voted Republican, the other faction, strong among the farmers and small businessmen of the South and Middle West, cherished the diffusion of property and looked to the Democrats as "the party of rural America, of the farmer, the shopkeeper, the artisan." Decentralists emphasized the pervasiveness of conflict between urban-industrial America and rural America. The agrarian poet John Gould Fletcher declared America could never fulfill her spiritual and cultural destiny without rejecting "the mock cosmopolitan Europeanism" of the East, turning its stance westward, and becoming "provincial, rooted in the backwoods, solitary and remote, as were Thoreau and Hawthorne." The Southern Agrarians stressed the tendency of the Northeast to transform other sections of the country into economic colonies. "It is the nature of industrial enterprise, corporate monopoly and high finance," Donald Davidson wrote, "to devour, to exploit, to imperialize. . . ." John Crowe Ransom proposed in 1929 a political alliance between the South and West since both sections "desire to defend home,

Strachey, Marx, and the Distributist Ideal," *American Review*, V (May 1935), 168-84; and Herbert Agar, "The Marxian Myth: A Reply to Mr. Corey," *Free America*, I (March 1937), 11-12. Marxists replied that decentralist intellectuals were hopeless middle-class reactionaries for believing large-scale industrialism could be destroyed and the United States could return to a bourgeois economy in which most people owned productive property. Granville Hicks, *The Great Tradition: An Interpretation of American Literature Since the Civil War* (New York, 1935), 282; Bern Brandon, "Metaphysics of Reaction," *Marxist Quarterly*, I (Jan.-March 1937), 125-33.

⁵ Agar, *Land of the Free*, 13-20; Troy J. Cauley, *Agrarianism: A Program for Farmers* (Chapel Hill, 1935), 191; Donald Davidson, review of *Faith in Living*, *Free America*, IV (Oct. 1940), 19; John Donald Wade, "Of the Mean and Sure Estate," Agar and Tate, eds., *Who Owns America?* 254-57; Edgar Schmiedeler, *A Better Rural Life* (New York, 1938), 1-12, 218-21, 234, 238, 246; Witte, *Twenty-Five Years of Crusading*, 1-6; Martin E. Schirber, "American Catholicism and Life On the Land," *Social Order*, 12 (May 1962), 201; Robert D. Cross, "The Changing Image of the City among American Catholics," *Catholic Historical Review*, XLVIII (April 1962), 33-52.

stability of life, the practice of leisure, and the natural enemy of both is the insidious industrial system."⁶

The decentralist intellectuals did not believe they were economically impractical and technologically reactionary for espousing the cause of small business and rural America during the 1920s and 1930s. On the contrary, they strongly contended that their goals and ideas harmonized with the dominant tendencies of modern technology. They pointed to the substitution of electricity for steam power. Electricity, decentralists predicted, would lead to the dispersal of industry because there was no longer any need for factories to remain concentrated close to sources of coal, and because electricity could easily be adapted to the requirements of small factories and home industries. Electricity also promised to make farm life less onerous and more attractive and, thus, help stem the drift of farmers to the cities. As one enthusiast proclaimed, electricity offered an opportunity "to make possible a sweeping program of decentralized regional development in terms of the most advanced science." In addition, decentralists claimed the introduction of the automobile allowed men to move out of the city, to acquire land and even engage in part-time farming, and to commute to their urban jobs.⁷

The nomination and election of Franklin D. Roosevelt in 1932 encouraged decentralists. They hoped to see an administration embark upon a comprehensive program of economic and demographic decentralization and aid for rural America. This expectation resulted from Roosevelt's well-known opposition to monopolies, Wall Street, and the decreasing economic independence of the small businessman and the farmer, as well as his at-

⁶ Herbert Agar, *What Is America?* (London, 1936), 240-43; Fletcher, *Two Frontiers*, 178; Donald Davidson, *The Attack On Leviathan: Regionalism and Nationalism in the United States* (Chapel Hill, 1938), 127; John Crowe Ransom, "The South Defends Its Heritage," *Harper's Magazine*, 159 (June 1929), 117; Andrew Nelson Lytle, "The Hind Tit," *I'll Take My Stand: The South and the Agrarian Tradition* (New York, 1930), 201-45; John Donald Wade, "Old Wine in a New Bottle," *Virginia Quarterly Review*, XI (April 1935), 246; David Cushman Coyle, *The Irrepressible Conflict: Business vs. Finance* (Geneva, N. Y., 1932), 12; David Cushman Coyle, *Roads to a New America* (Boston, 1938), 18-19. For the widespread prevalence of the colonial economy idea among southern social scientists and politicians, see George Brown Tindall, *The Emergence of the New South, 1913-1945* (Baton Rouge, 1967), 594-99.

⁷ Peter Van Dresser, "Will Electricity Decentralize Us?" *Free America*, II (Nov. 1938), 15; David Cushman Coyle, *Electricity: Achievements of Civilization* (New York, 1939), 14; David Cushman Coyle, "Inefficient Efficiency," *Virginia Quarterly Review*, XIV (Summer 1938), 368-79; Herbert Agar, *Pursuit of Happiness: The Story of American Democracy* (Boston, 1938), 50; Herman C. Nixon, *Forty Acres and Steel Mules* (Chapel Hill, 1938), 72, 77-78; Donald Davidson, "Agrarianism for Commuters," *American Review*, I (May 1933), 240-41; Donald Davidson, "'Southern Agrarians' State Their Case," *Progressive Farmer and Southern Ruralist*, LI (June 1936), 5; Cauley, *Agrarianism*, 70; Ralph L. Woods, *America Reborn: A Plan for Decentralization of Industry* (New York, 1939), 81-99, 104-34.

tempts to improve rural life while governor of New York and some of his 1932 campaign promises. Moreover, Roosevelt in the 1932 campaign vowed, if elected, to provide relief for farmers, to discipline Wall Street, and to "systematically eliminate special advantages, special favors, special privileges wherever possible, whether they come from tariff subsidies, credit favoritism, taxation or otherwise."⁸

The major initial acts of the New Deal, however, were far different from the reforms proposed by the decentralist intellectuals. They had suggested helping the small businessman and the consumer by lowering tariffs, strengthening the government's antitrust program, and withdrawing all political favors given big business and high finance since the Civil War. The National Industrial Recovery Act (NIRA) of 1933 instead authorized the suspension of antitrust laws so as to permit industry-wide economic planning. The decentralists predicted that permitting industrialists to establish production quotas would lead to higher prices and profits, diminished competition, lower consumer purchasing power, a cartelized economy, and the "political, moral, and intellectual slavery of the individual" resulting from the economic and political planning necessary to administer such a law.⁹

The farmer could best be aided, decentralists argued, through the prohibition of land ownership by banks, insurance companies, and other corporations; the heavy taxation of land owned by absentee landlords; low-interest loans; meliorating landlord-tenant relations in behalf of the tenants; rural electrification; and the encouragement of farm cooperatives. The keystone of the early New Deal farm program was the Agricultural Adjustment Act (AAA) of 1933, which proposed to raise farm incomes by limiting pro-

⁸ John Crowe Ransom to Andrew Nelson Lytle, Nov. 16, 1932, Andrew Lytle Papers (Tennessee State Library and Archives); Lytle to Allen Tate, Feb. 23, 1933, Allen Tate Papers (Princeton University); Herman C. Nixon to Donald Davidson, March 17, 25, 1931, Donald Davidson Papers (Vanderbilt University); Frank L. Owsley, "Scottsboro, the Third Crusade: The Sequel to Abolition and Reconstruction," *American Review*, I (June 1933), 274; Daniel R. Fusfeld, *The Economic Thought of Franklin D. Roosevelt and the Origins of the New Deal* (New York, 1956), 84-86, 123-30, 203-05, 227-38, 245-46; Frank Freidel, *F. D. R. and the South* (Baton Rouge, 1965), 6-18, 64-66; R. G. Tugwell, "The Sources of New Deal Reformism," *Ethics*, LXIV (July 1954), 266; R. G. Tugwell, "The Preparation of a President," *Western Political Quarterly*, I (June 1948), 132-33; Franklin D. Roosevelt, "Growing Up by Plan," *Survey Graphic*, LXVII (Feb. 1, 1932), 483-84; Franklin D. Roosevelt, "Back to the Land," *Review of Reviews*, LXXXIV (Oct. 1931), 63-64; Franklin D. Roosevelt, "Actualities of Agricultural Planning," *America Faces the Future*, Charles A. Beard, ed. (Boston, 1932), 331-38.

⁹ James Truslow Adams, *The Living Jefferson* (New York, 1936), 382; Coyle, *Irrepressible Conflict*, 13-16; David Cushman Coyle, "The Twilight of National Planning," *Harper's Magazine*, 171 (Oct. 1935), 562-65; Herbert Agar, "The Task for Conservatism," *American Review*, III (April 1934), 10-12; Cauley, *Agrarianism*, 197-98; Davidson, *Attack On Leviathan*, 40; Frederick P. Kenkel, "Throwing the Small Fry to the Lion," *Central-Blatt and Social Justice*, XXVI (Nov. 1933), 241.

duction and providing benefit payments to participating farmers. Decentralists claimed AAA would curtail farming at the very time the government should be encouraging an expansion of the farm population and, by making farmers wards of the state, dangerously centralize political power in Washington. According to Andrew Nelson Lytle, AAA was a "road to agricultural servility; it is up to us to divert him [Roosevelt] towards the more stable agrarian life." Decentralists traced the source of the New Deal's agricultural program to a mistaken belief that farmers were rural businessmen who, just like other businessmen, needed a boost in income. They contended, however, that the farmers most needed a more secure land tenure and a greater degree of economic self-sufficiency rather than more cash. No solution to the farm problem, Davidson wrote, could ever be achieved in "terms of the industrial economics now being applied by the Tugwells and Ezekiels of the Roosevelt Administration." Even those decentralists who recognized that, as long as industry had its tariffs and other subsidies, AAA benefit payments were necessary to compensate the farmer and to create a balanced and stable economy, believed AAA to be no substitute for guaranteeing land ownership and reducing farm tenancy. Decentralists agreed with Davidson that the early New Deal, by legislating benefit payments and ignoring the problem of dispossession, had "done more to pacify the farmers than to save them."¹⁰

This lack of enthusiasm for NIRA and AAA extended as well to the Trade Agreements Act of June 1934. This law authorized the President to enter into reciprocal tariff agreements with other nations which could eventually result in the lowering of tariffs by as much as 50 percent. Some decentralists, disappointed that tariffs were not to be cut even more, claimed the industrial Northeast was still exploiting farmers and consumers. David-

¹⁰ John Crowe Ransom, "Happy Farmers," *American Review*, I (Oct. 1933), 534-35; Ransom, "What Does the South Want?" Agar and Tate, eds., *Who Owns America?* 189; Herbert Agar, "Just Why Economics?" *North American Review*, 240 (Sept. 1935), 200-05; Herbert Agar, "What Is the New Deal?" *Louisville Courier-Journal*, April 22, 1936; Herbert Agar, "Why Help the Farmer?" *ibid.*, Aug. 14, 1939; John C. Rawe, "Agrarianism: An Economic Foundation," *Modern Schoolman*, XIII (Nov. 1935), 18; John C. Rawe, "Agrarianism: The Basis for a Better Life," *American Review*, VI (Dec. 1935), 188-92; Cauley, *Agrarianism*, 94-103, 180-211; Frederick P. Kenkel, "Rural Economic Welfare in the Light of Present Conditions," *Central-Blatt and Social Justice*, XXVI (Nov. 1933), 236; Edgar Schmiedeler, *Balanced Abundance* (New York, 1939), 21-25; David Cushman Coyle, *Uncommon Sense* (Washington, 1936), 77-79, 97-101; Lytle to Seward Collins, May 17, Aug. 25, 1933, Seward Collins Papers (Beinecke Library, Yale University); John Gould Fletcher to Frank L. Owsley, March 2, 1935, Frank Owsley Papers (in possession of Mrs. Frank L. Owsley, Nashville, Tennessee); Allen Tate, "The Problem of the Unemployed: A Modest Proposal," *American Review*, I (May 1933), 135; Donald Davidson, "The Restoration of the Farmer," *American Review*, III (April 1934), 100; Donald Davidson, "A Case in Farming," *ibid.* (Sept. 1934), 530.

son argued that, despite the trade act, the goal of the New Deal was national self-sufficiency which could "ruin the South's export trade in cotton and tobacco and reduce the Southern States to the condition of pensioners upon a socialized America." Frank L. Owsley, a fellow Southern Agrarian, agreed with Davidson, and in 1935 demanded subsidies for the South and West on the export of their agricultural products should the New Deal continue to temporize on the tariff issue. Other decentralists, however, feared that lowering of tariff barriers would increase trade in staple crops and strengthen commercial farming at the expense of subsistence agriculture. Agar and economist Troy J. Cauley proposed that tariff reduction be combined with the fostering of subsistence farming in order that both regional and industrial exploitation and commercial farming could be diminished.¹¹

The redeeming features of the early New Deal for the decentralist intellectuals were the creation of the Tennessee Valley Authority (TVA) in 1933 and the Rural Electrification Administration (REA) in 1935. The electricity flowing from TVA and REA, they predicted, would slow down the movement of population to the cities by making rural life more comfortable, encourage the founding of small-scale and owner-operated rural industries, facilitate the movement of businesses into rural areas, break the stranglehold of Wall Street holding companies over southern power companies, and by bolstering the rural economies of the West and South help restore economic balance to the nation. Decentralists approved TVA's resettling of farmers on better land, establishing demonstration farms, producing cheap fertilizers, developing inexpensive farm machinery, and teaching the most recent methods of soil conservation. All of these, they felt, promoted family farming and the individual ownership of land. They also commended TVA's emphasis on decentralized decision making and grass-roots democracy which they favorably compared to the centralization and bureaucratization found in many of the other New Deal agencies. They pointed out that the setting of prices and production quotas by NIRA and AAA had resulted in a vast expansion of the political bureaucracy, while TVA merely established an economic and social framework within which private enterprise could function more effectively. Herman C. Nixon

¹¹ Donald Davidson, "Where Regionalism and Sectionalism Meet," *Social Forces*, 13 (Oct. 1934), 28-29; Davidson, *Attack On Leviathan*, 203-04, 283; Frank L. Owsley, "The Pillars of Agrarianism," *American Review*, IV (March 1935), 533, 541-47; Herman C. Nixon, *Poosum Trot: Rural Community, South* (Norman, 1941), 84-96; H. Clarence Nixon, "The New Deal and the South," *Virginia Quarterly Review*, XIX (Summer 1943), 333; Schmieler, *Balanced Abundance*, 8-9; Agar, *Land of the Free*, 272-73; Herbert Agar, "International Trade and Cotton," *Louisville Courier-Journal*, Sept. 20, 1935; T. J. Cauley, "The Integration of Agrarian and Exchange Economies," *American Review*, V (Oct. 1935), 587-602.

termed TVA "the strongest card in the New Deal. . . . The nation needs a series of the grand projects of the TVA type . . . but it seems fortunate that the eroded South became the scene of the first experiment."¹²

The decentralist intellectuals were disappointed throughout Roosevelt's first term by the New Deal's failure to develop into the radical economic movement they had originally expected. In August 1933, Owsley looked forward to Roosevelt reducing "the plutocrats to ranks as far as control of the government goes. New York is to be trimmed of its complete financial control if he has his way." Fletcher, bemused by the Hundred Days, complimented the President for "putting the speculators where they belong—in the wastebasket (many of them belong on lamp-posts)," and anticipated eagerly further attacks on Wall Street. The economist David Cushman Coyle hopefully described the New Deal in 1934 as "the quest of the American people for a way to free themselves from the octopus of finance that has been strangling their free business for several generations." But the inability of the New Deal to destroy completely and quickly the power of high finance disillusioned the decentralists. They accused the New Dealers of temporizing and leaving the power of plutocracy untouched. The "standpat Rooseveltians," Fletcher complained in 1934, seem "to be accomplishing little beyond beclouding the real issues." Despite taking the country off the gold standard, passing two major acts regulating the stock

¹² Fletcher to Davidson, July 27, 1933, Davidson Papers; Frank L. Owsley, "Mr. Daniels Discovers the South," *Southern Review*, IV (Spring 1939), 670; David Cushman Coyle, *Land of Hope: The Way of Life in the Tennessee Valley* (Evanston, 1941); David Cushman Coyle, *Electric Power on the Farm: The Story of Electricity, its usefulness on farms, and the movement to electrify rural America* (Washington, 1936); David Cushman Coyle, "Planning Is a Fighting Word," *Harper's Magazine*, 192 (June 1946), 555-56; Woods, *America Reborn*, 233-36, 306-12; Ralph L. Woods, review of *God's Valley*, *Free America*, III (July 1939), 19-20; Herbert Agar, "TVA and Socialism," *Louisville Courier-Journal*, June 9, 1937; Herbert Agar, "A Boost for Democracy," *ibid.*, March 7, 1939; R. F. Bessey, "National Planning and Decentralization," *Free America*, VII (Summer 1943), 14; Thomas Haile, "Agriculture and The TVA," *ibid.*, V (Nov. 1941), 3-6; Ransom, "What Does the South Want?" Agar and Tate, eds., *Who Owns America?* 189; Charles Rumford Walker, "The Farmer Harnesses the Kilowatt," *Free America*, IV (June 1940), 3-5; Ligutti and Rawe, *Rural Roads to Security*, 183, 309; Edgar Schmiedeler, *The Rural South: Problem or Prospect?* (New York, 1940), 7; Nixon, *Forty Acres and Steel Mules*, 80-81. For a criticism of TVA, see R. G. Tugwell and E. C. Banfield, "Grass Roots Democracy—Myth or Reality?" *Public Administration Review*, X (Winter 1950), 47-55. For a decentralist criticism of TVA, see Davidson, "Where Regionalism and Sectionalism Meet," *Social Forces*, 25-27; Donald Davidson, "That This Nation May Endure: The Need for Political Regionalism," Agar and Tate, eds., *Who Owns America?* 124-25; Donald Davidson, "Regionalism as Social Science," *Southern Review*, III (Autumn 1937), 219-20; Donald Davidson, "On Being in Hock to the North," *Free America*, III (May 1939), 4; Donald Davidson, "Political Regionalism and Administrative Regionalism," *Annals of The American Academy of Political and Social Science*, 207 (Jan. 1940), 138-43; Donald Davidson, *The Tennessee: The New River-Civil War to TVA* (New York, 1948), ii; Donald Davidson, "Regionalism," *Collier's 1954 Year Book*, William T. Couch, ed. (New York, 1954), 509.

exchanges, and enacting legislation divorcing investment banking from commercial banking, Agar defined the New Deal as "finance-capitalism with its rewards more firmly distributed, and its knavery curtailed."¹³

Decentralists regretfully concluded that the New Dealers believed they could restore prosperity without destroying industrial and financial centralization. This was attributed to a naïve faith in tinkering. The New Deal, Agar wrote, was evidently "mere crisis legislation, mere extemporizing in the hope that something . . . will turn up." Tate blamed Roosevelt for the New Deal's degeneration into a diffuse humanitarianism: the President was "an honest man, but horribly simple; the best he can do is to think the whole problem will be solved when a little of the big income is restored and all men have enough to eat." Other decentralists, however, ascribed the New Deal floundering to a collectivistic philosophy rather than to any pragmatic, non-ideological outlook. The example of NIRA and the presence of Rexford G. Tugwell and other collectivists within the New Deal caused Davidson to accuse the New Dealers of merely seeking "to repair our faltering economic system and to guarantee a modicum of comfort to the human casualties of our false way of life. But they are doing nothing to repair the false way of life. Rather they seem to want to crystallize it in all its falsity." Evidently the New Deal did not accept the decentralist's contention that permanent economic recovery and lasting social reform could come only with economic dispersal and the widespread ownership of property.¹⁴

¹³ Owsley to Davidson, Aug. 5, 1933, Davidson Papers; Fletcher to Henry Bergen, Aug. 18, Nov. 15, 1933, May 11, 12, July 5, 13, Nov. 19, Dec. 3, 1934, Henry Bergen Papers (in possession of Eugene Haun, Ann Arbor, Michigan); Fletcher to Tate, July 22, 1934, Tate Papers; David Cushman Coyle, "Recovery and Finance," *Virginia Quarterly Review*, X (Oct. 1934), 489-93; Coyle, *Uncommon Sense*, 123-34; John Crowe Ransom, "A Capital for the New Deal," *American Review*, II (Dec. 1933), 142; Lytle, "The Backwoods Progression," 431; Troy J. Cauley and Fred Wenn, "A Debate: Resolved: That the United States Should Return to the Gold Standard," *Bulletin of Emory University*, XX (June 1934), 59-61; Richard B. Ransom, "The Private and Corporate Economies," *American Review*, VI (Feb. 1936), 392-99; John C. Rawe, "Agriculture and the Property State," Agar and Tate, eds., *Who Owns America?* 46-48; Agar, "The Task for Conservatism," 10-11.

¹⁴ Herbert Agar to Tate, Nov. 7, 1933, Tate Papers; Herbert Agar, "Private Property or Capitalism," *American Scholar*, III (Autumn 1934), 397; Tate to Agar, Nov. 17, 1933, Tate Papers; Richard B. Ransom, "New American Frontiers: A Plan for Permanent Recovery," *American Review*, V (Sept. 1935), 386-90; Andrew Nelson Lytle, "John Taylor and the Political Economy of Agriculture," Part III, *American Review*, IV (Nov. 1934), 96. T. J. Cauley criticized the New Deal stock market legislation as "probably well conceived within its limits," but "essentially directed against symptoms rather than fundamental causes. It will prosper accordingly." Cauley, "Integration of Agrarian and Exchange Economies," 602. Donald Davidson, "'I'll Take My Stand': A History," *American Review*, V (Summer 1935), 320-21; Edd Winfield Parks, "On Banishing Nonsense," *American Review*, I (Oct. 1933), 574-76; Frederick P. Kenkel, "New Deals, Past and Present, V," *Central-Blatt and Social*

In 1935, the course of the New Deal shifted. The Public Utility Holding Company Act, the Wealth Tax Act, the establishment of the Resettlement Administration, and the Banking Act and Revenue Act of 1936 reflected a change from cooperation between government and business and the acceptance of consolidation and planning to an emphasis on the free market and a distrust of concentrated economic and political power.¹⁵ The decentralist intellectuals welcomed this reversal in New Deal strategy. As Agar wrote Tate, "for the first time in a long time we have friends in high places." The New Deal was at last "seeking to find how to make us once more a nation in which the average man is a small proprietor, owning his farm, shop, or business." And yet they remained dissatisfied with the New Deal, complaining, for example, that the Wealth Tax Act should have graduated taxes even more sharply. "America will not start to recover its lost freedom," Coyle stated, "until it can enact and enforce upper bracket tax rates that will stop the growth of great fortunes and make them start to shrink away." As a result of political timidity, the "tax policies of the New Deal have been wavering and uncertain." And Lyle H. Lanier claimed that, after four years of the New Deal, the nation was still afflicted with "economic fascism."¹⁶

Many decentralists would have voted Republican in 1936 had the Republicans nominated a prominent progressive such as Senator William E. Borah of Idaho. The nomination of Alfred M. Landon, however, confirmed their distrust of the Republicans as the party of big business, and they supported Roosevelt in the hope that a decisive Democratic victory would lead to a showdown with plutocracy. Tate summarized for the *New Republic* the sentiment of the decentralists.

I shall vote for Roosevelt. . . . There are very few of the President's policies that I like, but he has been aware that a crisis exists, and there is at least a strong probability that he will take firmer and more coherent ground, in his second administration, against privilege and Big Business. Should Landon be elected he would certainly bring on a revolution of violence in his efforts to restore the good

Justice, XXVII (June 1934), 77; Rawe, "Agrarianism: The Basis for a Better Life," *American Review*, 176-88.

¹⁵ Arthur M. Schlesinger, Jr., *The Politics of Upheaval* (Boston, 1960), 385-95.

¹⁶ Agar to Tate, Sept. 29, 1935, Tate Papers; Herbert Agar, "Share-Our-Wealth," *Louisville Courier-Journal*, Aug. 16, 1935; Herbert Agar, "'A Cockeyed Tax?' III," *ibid.*, Oct. 21, 1936; David Cushman Coyle, *Why Pay Taxes* (Washington, 1937), 79-80, 91-96; David Cushman Coyle, "Map of the New Deal," *Scribner's Magazine*, XCIX (April 1936), 224; David Cushman Coyle, "The Fallacy of Mass Production," Agar and Tate, eds., *Who Owns America?* 11; Rawe, "Agriculture and the Property State," *ibid.*, 49-51; Richard B. Ransom, "Corporate and Private Persons," *ibid.*, 77-79; Lyle H. Lanier to Tate, Dec. 7, 1936, Tate Papers.

old days of finance-capitalism. If I were a Communist, I think I should vote for Landon.¹⁷

Roosevelt's overwhelming victory encouraged decentralists, and they anxiously anticipated the New Deal accelerating its campaign against rural poverty. For decentralists, rural poverty, especially as it pertained to dispossession and the growth in farm tenancy, was the most important social and economic problem of the 1930s. They believed that it was responsible for the creation of a mobile farm proletariat lacking personal initiative and social responsibility, the erosion of human and natural resources, the rise of rural political demagoguery, and the general spirit of hopelessness and degradation permeating wide portions of the rural South. The New Deal's attack on rural poverty had begun in 1933 with a program establishing 25,000 families on subsistence homesteads. Decentralists strongly endorsed farm colonization, arguing that it enlarged the rural population, reduced industrial unemployment, decreased the amount of money spent for relief, and did not necessarily have to lead to an increase in political centralization. They were critical, nevertheless, of a program aiding only 25,000 families at a time when millions of Americans were unemployed. As Lytle asserted, the subsistence homesteads "are a move in the right direction, but how timid and coy are their steps. . . . Our hope for the betterment of country life demands that these casual experiments be turned into a real offensive." Decentralists also disliked the New Dealer's paternalistic control over the homesteads, and they were greatly dismayed when Tugwell's Resettlement Administration absorbed the homestead program in 1935.¹⁸

The Resettlement Administration's operation of the subsistence homesteads reflected Tugwell's opposition to the back-to-the-land movement, his belief that the family farm was a technological anachronism which would inevitably give way to the factory farm, and his distrust of individualism and political and economic decentralization. It encouraged commercial and mechanized agriculture, introduced progressive schools in order to aid in

¹⁷ Agar to Collins, Dec. 10, 1934, Collins Papers; Herbert Agar, "'Blind Mouths'—Notes on the Nominating Conventions," *Southern Review*, II (Autumn 1936), 231-33; John C. Rawe, "Corporations and Human Liberty: A Study in Exploitation—II. Regaining the Rights of the Individual," *American Review*, IV (Feb. 1935), 481; Allen Tate, "How They Are Voting: IV," *New Republic*, LXXXVIII (Oct. 21, 1936), 304-05.

¹⁸ James A. Byrnes, "Foreword," *Catholic Rural Life Objectives*, II (1936), 3-6; Edgar Schmiedeler, "A Review of Rural Insecurity," *ibid.*, III (1937), 51-52; John Crowe Ransom, "The State and the Land," *New Republic*, LXX (Feb. 17, 1932), 8-10; Andrew Lytle, "The Small Farm Secures the State," Agar and Tate, eds., *Who Owns America?* 239; Woods, *America Reborn*, 297-302; *Free America*, V (April 1941), 2, 11; Ligutti and Rawe, *Rural Roads to Security*, 171-73, 255-56; William H. Issel, "Ralph Borsodi and the Agrarian Response to Modern America," *Agricultural History*, XLI (April 1967), 159-64.

the transition from a competitive to a cooperative society, and attempted to reform the homesteaders along collectivist lines. All of this was, of course, anathema to decentralists who saw Tugwell as the prime example of those New Dealers who "use the terminology of industrial economists and neglect to emphasize the human values of an unincorporated agrarian system. They would control production in the field in the same way as in the factory, establish homesteads only by way of temporary relief, and allow the further capitalization of joint-stock interests in extensive land holdings."¹⁹ Troubled by Tugwell and the very modest New Deal approach to rural poverty and agrarian dispossession, decentralists became increasingly more vocal in demanding "a public policy that will transform the family-farm operator into a farm owner instead of transforming owners into tenants or day laborers on a corporation farm." Ransom and others who had supported AAA as a stopgap measure to tide farmers over until a program dealing with dispossession could be developed were especially disappointed and disturbed.²⁰

The growing discontent of farmers, the threat of socialist agitation among tenants and sharecroppers in the South, and the decisive Democratic victory in 1936 focused attention on the problem of farm tenancy and the Bankhead proposal. This was a bill introduced by Senator John H. Bankhead of Alabama providing long-term loans at low interest to enable sharecroppers and tenants to become farm owners. Bankhead maintained passage of his bill would enlarge the yeoman class, rectify in part the population imbalance between country and city, and reduce relief payments.²¹ The

¹⁹ Joseph Dorfman, *The Economic Mind in American Civilization* (5 vols., New York, 1959), V, 502-15; Arthur M. Schlesinger, Jr., *The Coming of the New Deal* (Boston, 1958), 369-71; Paul K. Conkin, *Tomorrow a New World: The New Deal Community Program* (Ithaca, 1959), 186-213. In 1930, Rexford Tugwell defined a farm as "an area of vicious, ill-tempered soil with a not very good house, inadequate barns, makeshift machinery, happenstance stock, tired, overworked men and women—and all the pests and bucolic plagues that nature has evolved . . . a place where ugly, brooding monotony, that haunts by day and night, unseats the mind." Sidney Baldwin, *Poverty and Politics: The Rise and Decline of the Farm Security Administration* (Chapel Hill, 1968), 88; Rawe, "Agrarianism: An Economic Foundation," *Modern Schoolman*, 18.

²⁰ Edwin V. O'Hara, "A Spiritual and Material Mission to Rural America," *Catholic Rural Life Objectives*, I (1935), 6; H. Clarence Nixon, "Farm Tenancy to the Forefront," *Southwest Review*, XXII (Oct. 1936), 11-12; Nixon, *Forty Acres and Steel Mules*, 56-57; Chard Powers Smith, "Something to Do Now," *Free America*, I (Feb. 1937), 8; Coyle, *Uncommon Sense*, 97-101; Ransom, "Happy Farmers," *American Review*, 522-23; and John Crowe Ransom, "Sociology and the Black Belt," *American Review*, IV (Dec. 1934), 153-54.

²¹ John H. Bankhead, "The One Way to Permanent National Recovery," *Liberty*, X (July 22, 1933), 18. Owsley believed the Southern Agrarians had been one of the formative influences behind the introduction of the Bankhead bill. Frank L. Owsley, "The Agrarians Today," *Shenandoah*, III (Summer 1952), 27; Bankhead to Owsley, March 15, 1935, Owsley Papers.

Bankhead bill quickly became the major political concern of decentralists. Owsley claimed it was the best proposal so far brought forth during the New Deal. "Most of the other Roosevelt legislation has dealt with the distribution of income; this is the distribution of capital." Decentralists predicted the Bankhead bill would invigorate New Deal soil conservation programs by giving farmers a personal stake in the land and, by increasing the number of economically independent families, undercut the attempts of Norman Thomas and other radicals to win over the dispossessed rural class of the South and West. In addition, it would be cheaper than farm relief since the loans would be paid back, and the recipients would not become dependent on the state as had occurred under AAA. The Bankhead bill was not another palliative, decentralists claimed; it was an effort to solve the most fundamental social and economic problem of the twentieth century, the drastic decline in property ownership. *Commonweal*, then under the editorship of Michael Williams, recommended the Bankhead measure to everyone who desired "the reestablishment of the principle of private property, and of the principle of personal and family liberty—which is dependent for its practical realization upon the possession of real personal property in land by great numbers of individuals, and not upon the possession of vast holdings in land, and great wealth of other sorts, by a small minority of the nation."²²

The Bankhead bill became law in 1937 and a new agency, the Farm Security Administration (FSA), was established to administer a multi-faceted program of land purchasing by tenants and sharecroppers, retirement of submarginal land, and rural rehabilitation of needy farm families through short-term loans and grants for the purchase of livestock, equipment, and supplies. Will Alexander was appointed head of FSA succeeding Tugwell, who had opposed the Bankhead Act, as chief of the New Deal rural poverty program. Tugwell did not believe the land could absorb a significant number of the urban unemployed, nor did he believe the preservation of the family farm should be an object of public policy. The Bankhead Act, he warned, would create little more than "a contented and scattered peasantry."²³ The decentralist's evaluation of the Bankhead Act was diametric-

²² Owsley to Marvin M. Lowes, March 16, 1935, Collins Papers; John C. Rawe to Edward Day Stewart, Feb. 7, 1937, Owsley Papers; Fletcher to Owsley, May 25, 1935, Owsley Papers; Herbert Agar, "A Substitute for 'Share-Out-Wealth,'" *Louisville Courier-Journal*, Aug. 20, 1935; Nixon, "Farm Tenancy to the Forefront," *Southwest Review*, 12-15; Coyle, *Uncommon Sense*, 97-101; *Free America*, I (Aug. 1937), 5; "In Support of the Bankhead Bill," *Commonweal*, XXI (April 26, 1935), 719.

²³ Schlesinger, *Coming of the New Deal*, 380; Bernard Sternsher, *Rexford Tugwell and the New Deal* (New Brunswick, 1964), 306.

cally opposed to Tugwell's assessment. Primarily they objected to the appropriation of only \$50 million for FSA. As *Free America* remarked, "The thing should be attacked in terms of billions of dollars. Then only can the drift into tenancy and degradation be stopped and reversed."²⁴

Decentralists attributed the meekness of the New Deal's approach to rural poverty to its insistence on saving a diseased agricultural economy in order to achieve economic recovery. Tinkering with farm subsidies and acreage limitations, they argued, had resulted in the nation "paying through the nose to perpetuate a system of commercial agriculture which might better be allowed to fall of its own weight." They emphasized that the New Deal had not reformed the tax structure so as to weigh most heavily on absentee landlords, had not enacted legislation ending land speculation or guaranteeing basic rights to tenants, and had not started a large land purchase program. Although the New Deal had possibly increased farm income and helped rectify the imbalance between agriculture and industry, it had been at the expense of pushing many poor farmers off the land and keeping the remaining farmers tightly controlled by a distant bureaucracy.²⁵

The decentralist intellectuals claimed the New Deal response to widespread industrial unemployment exhibited the same superficiality as its farm program. "Relief through charitable doles," Ransom had observed in 1932, "may be humanitarian but it is not economic . . . this month's dole is of no effect in preventing next month's." Decentralists realized that, even though individual initiative might be undermined and relief recipients become dependent on the state, temporary relief measures and government jobs were needed to prevent widespread suffering. This was the price the nation had to pay for not being a decentralized and propertied society. But alongside these there should be other measures designed to make the unemployed economically independent, and it was the lack of the latter which made the New Deal's relief program appear increasingly artificial and inadequate. As *Free America* editorialized in 1937, "At the outset the government had no alternative but to care for the immediate needy. . . . But all that should now be replaced by other measures tending to make the citizens

²⁴ *Free America*, I (March 1937), 7; *ibid.*, I (May 1937), 3-4; Edgar Schmiedeler, *Our Rural Proletariat* (New York, 1939), 22-25; T. J. Cauley, "The Public Interest in the Use of Rural Land," *Southwestern Social Science Quarterly*, XXX (March 1950), 252.

²⁵ Frank Money, "Agricultural Paradox," *Free America*, I (Aug. 1937), 1; *ibid.*, III (Aug. 1939), 2, 7; Ralph Borsodi, "Democracy, Plutocracy, Bureaucracy," *ibid.*, III (Aug. 1939), 11; Donald Davidson, review of *Agriculture in Modern Life*, *ibid.*, III (Dec. 1939), 18; Thomas H. Haile, "Free Men and the Market," *ibid.*, V (June 1941), 12; Frank L. Owsley, "Pellagra Diet," *Southern Review*, VI (Spring 1941), 751-53; John C. Rawe, "The Home on the Land," *Catholic Rural Life Bulletin*, II (Feb. 20, 1939), 24; Edgar Schmiedeler, *Vanishing Homesteads* (New York, 1941), 23-25.

self-reliant and responsible." Agar questioned the long-range implications of the New Deal's public works agencies hiring millions of the unemployed.

Great public works, carried forward by the state in periods when unemployment in private business is high, may become a permanent part of the economy. They may prove a blessing, and a solution to the problem of unemployment. They will never prove a solution to the problem of liberty. The men who work for the state can only remain free if a determining majority of their fellow citizens do not work for the state but keep their own power over their own will in the only way it can be kept: by earning their own security. The citizens who work for themselves can see to it that the citizens who work for the state are not deprived of free will. They can guard the guardians; they can watch the watchmen. But if the time comes when the big majority, or the whole, is working for the state, liberty is dead.²⁶

Decentralists approached the Social Security Act of 1935 and the Fair Labor Standards Act of 1938 in the same ambivalent manner as they did relief measures. They recognized that an overly centralized industrial society contained persons unable to provide for their old age and unemployment, and yet they feared a federal social security program would further concentrate political authority and make the people look to the state, rather than to themselves, for security. The 1935 act would be unnecessary, of course, in a propertied society. Accordingly, Agar justified the Social Security Act as something to temporarily tide the nation over until property could be widely distributed. He believed the New Deal actually wanted "a defense of American freedom in the only way it can be defended—by the preservation of real property."²⁷

The Fair Labor Standards Act established maximum hours and minimum wage standards and was the major New Deal factory measure. Factory legislation, decentralists contended, was a makeshift alternative for the more basic reforms. They argued that, although the employees of large-scale factories must be protected against economic hazards, "the greater the need for such protection the deeper the illness of the society." Such legislation was merely palliative and could lead to a paternalistic state. Davidson declared

²⁶ Ransom, "The State and the Land," 9-10; *Free America*, I (Sept. 1937), 4; Ralph Borsodi, "Planning: For What?" *ibid.*, III (Dec. 1939), 16-18; Cauley, "Integration of Agrarian and Exchange Economies," 587; Tate, "The Problem of the Unemployed," 130-32, 135; Herbert Agar, *A Time for Greatness* (Boston, 1942), 252.

²⁷ Herbert Agar, "Every Man a King," *Louisville Courier-Journal*, Aug. 14, 1935. Several decentralists criticized the Social Security Act's failure to include farm laborers and farm tenants within its provisions. They accused the New Deal of needless discrimination against rural America, particularly the South with its large agrarian proletariat. David Cushman Coyle, *Roads to a New America* (New York, 1937), 335-43; Herman C. Nixon, *Social Security for Southern Farmers* (Chapel Hill, 1936), 6-7; Schmiedeler, *A Better Rural Life*, 249-64.

the Fair Labor Standards Act illustrated the New Deal's desire to retain, while reforming, centralized industrialism. Evidently the New Deal had chosen "to leave social and economic tendencies as they are, and apply a certain amount of humanitarian correction from above, to make the results of those tendencies easier to bear."²⁸

For the decentralist intellectuals, the major importance of factory legislation was its effect on economic decentralization rather than the amelioration of the working conditions of the industrial laborer. Coyle, in particular, feared that many small businesses would go bankrupt because of inability to pay the minimum wage and that the 1938 act would impede the movement of industry from the Northeast to the low-wage areas of the South and West. *Free America*, although suspicious of the Fair Labor Standards Act, did anticipate some good coming from it. The magazine believed close supervision was needed over businesses such as utilities and railroads unable to decentralize. Perhaps this act would be the prelude to democratic control over such property, and perhaps businesses not wishing to fall under its provisions would voluntarily decentralize. *Free America* proposed:

the government meddle all it likes with big nation-size industry, industry so large that responsibility between employer and employee is impossible. But let it keep its hands off little industry serving only a few hundred men and in which personal contact between employer and worker is not only possible but unavoidable.²⁹

Decentralists denied that the urban and industrial worker could ever secure economic and social justice within a centralized industrial economy. Even labor unions could not gain for him the economic security and personal independence which would be his if he owned a piece of land or controlled a small business. Labor unions, they asserted, were simply necessary evils under modern working conditions. "If we cannot alter the conditions for the better, if we cannot get ahead in our race with collectivism," *Free America* commented, "then we cannot complain that the workers proceed in a theoretically collectivist direction." New Deal efforts to aid the labor movement, although desirable in order to create a countervailing force to oppose big business, failed to answer the more pressing need of economic

²⁸ John C. Rawe, "The Agrarian Concept of Property," *Modern Schoolman*, XIV (Nov. 1936), 4; Donald Davidson, "Where Are the Laymen? A Study in Policy-Making," *American Review*, IX (Oct. 1937), 478; Richmond Croom Beatty, *Lord Macaulay: Victorian Liberal* (Norman, 1938), 286.

²⁹ Coyle, *Roads to a New America*, 292-95; *Free America*, I (July 1937), 3-5; Davidson, *Attack On Leviathan*, 282. Nixon and Agar, in contrast, favored wage and hour legislation because it would prevent a rapid and ruthless industrialization of the South. Nixon, *Possum Trot*, 155-56; Herbert Agar, "The New Carpetbaggers, I," *Louisville Courier-Journal*, April 9, 1937.

decentralization. Legislation such as Article 7 (a) of NIRA and the National Labor Relations Act of 1935 was an "irrelevant matter of great interest [to the workers] but only a source of confusion in the more vital struggle to rearrange the economic machinery so that it would not jam."³⁰

The National Housing Act of 1937 disturbed decentralists more than any other New Deal measure with the possible exception of NIRA. This act authorized the United States Housing Authority to extend long-term, low-interest loans to local public agencies to clear slums and build housing projects. Decentralists argued that building housing on the sites of old slums merely encouraged people to remain in the city and offered no incentive for industry to decentralize. And to make matters worse, there was nothing in the act providing for home ownership. "Outside of giving a few people more decent living quarters," *Free America* complained, "nothing is to be done toward translating our ever-increasing, expropriated, dependent proletariat into an independent and responsible citizenry." Public housing appeared to be a gigantic subsidy to urbanized industry since it enabled urban labor to be decently housed without having industry pay for it through higher wages. Decentralists proposed that, if possible, public housing be single dwellings, that suburban building be given priority, that each separate dwelling include an acre of tillable land, and that the occupants be educated in the principles of subsistence agriculture.³¹

The decentralist intellectuals were thus generally disappointed with the various New Deal programs to reform industrial and urban life. For them, relief, social security, and public housing left untouched economic centralization, financial aggrandizement, and dispossession. There were, nevertheless, some measures during Roosevelt's second term which bore more directly on the issue of economic centralization. In March 1938, Thurman Arnold was appointed attorney general in charge of the Antitrust Division of the Department of Justice, and he soon became the most active trustbust-

³⁰ *Free America*, I (Feb. 1937), 3-5; *ibid.*, I (July 1937), 5-6; Coyle, "Twilight of National Planning," 557-62; Beatty, *Lord Macaulay*, 286; Rawe, "Agrarian Concept of Property," 4; Allen Tate, "A View of the Whole South," *American Review*, II (Feb. 1934), 418-19; Graham Carey, "Sufficiency, Security and Freedom," *Free America*, III (Feb. 1939), 10-11; Ligutti and Rawe, *Rural Roads to Security*, 38-39; Herbert Agar, "Farm Owners or Farm Unions?" *Louisville Courier-Journal*, Sept. 28, 1936.

³¹ *Free America*, I (Sept. 1937), 7; *ibid.*, I (April 1937), 4; *ibid.*, I (Aug. 1937), 9; Ralph L. Woods, "Defense and Decentralization," *Free America*, IV (Sept. 1940), 3-5; "These Men: The Biggest Little Mayor in the World," *Free America*, IV (Nov. 1940), 6-8; Ligutti and Rawe, *Rural Roads to Security*, 109-11; John C. Rawe, "The Modern Homestead: A Vital Economic Institution," *Modern Schoolman*, XV (Jan. 1938), 34-35; Davidson, "Regionalism as Social Science," 224. Agar was almost apologetic for supporting public housing. Herbert Agar, "Federal Housing, II," *Louisville Courier-Journal*, March 27, 1939; Herbert Agar, "Free and Independent," *ibid.*, Feb. 8, 1938.

er in American history. One month later, Roosevelt requested funds for an investigation of monopolies which resulted in the three-year inquiry by the Temporary National Economic Committee. There was also the selection of Hadan Alldredge of Alabama, a vigorous foe of regional railroad rate differentials, as a commissioner of the Interstate Commerce Commission (ICC), and the passage of the Transportation Act of 1940, empowering ICC to aid farmers by reducing railway rates on agricultural products.

Decentralists hailed these modest successes,³² but they remained convinced the New Deal had not tamed plutocracy. Tate, who in 1936 looked forward to the New Deal attacking "privilege and Big Business," described the United States in 1938 as a "plutocratic regime masked as a democracy." Agar, who in 1936 predicted that Roosevelt intended to push the struggle against plutocracy "through to a conclusion," asserted in 1938 the New Deal had been a failure because it had tried merely to ameliorate the worst effects of modern capitalism—"the result has been a permanent crisis of unemployment and a ten-year-long depression." Coyle, who in 1936 saw the New Deal as "the early stage of the final effort of the American economic and political system to throw off the shackles of big business," continually called for more vigorous attacks on economic centralization during the late 1930s. The growth of political centralization also dismayed the decentralist intellectuals, a development they saw as unnecessary since it had not resulted in the disciplining of big business or the creation of a propertied society. According to the utopian agrarian Ralph Borsodi, the New Deal had made it "virtually impossible for anyone to own property, to engage in business small or large, without paying constant and obsequious tribute to bureaucracy."³³

Decentralist's criticisms of the New Deal for merely tinkering

³² Nixon, "New Deal and the South," 329-33; Davidson, "On Being in Hock to the North," 5; Joseph L. Nicholson, "The Place of Small Business," *Free America*, IV (June 1940), 9; Herbert Agar, "Roosevelt and Collectivism," *Louisville Courier-Journal*, May 7, 1938; Agar, *A Time for Greatness*, 171, 176; Ellis W. Hawley, *The New Deal and the Problem of Monopoly: A Study in Economic Ambivalence* (Princeton, 1966), 439.

³³ Allen Tate, review of *Pursuit of Happiness*, *Free America*, II (Oct. 1938), 16-18; Herbert Agar, "Mr. Roosevelt and a Free Economy," *Louisville Courier-Journal*, June 29, 1936; Herbert Agar, "Pump-Priming, II," *ibid.*, Aug. 3, 1938; Herbert Agar, "Dorothy Thompson and the New Deal, II," *ibid.*, Aug. 13, 1938; Herbert Agar, "The Right to Private Property," *Free America*, III (June 1939), 7; Coyle, "Map of the New Deal," 220-21; Coyle, "Inefficient Efficiency," 376-78; Borsodi, "Democracy, Plutocracy, Bureaucracy," 11; Ralph Borsodi, "Decentralization," *Free America*, II (Feb. 1938), 12; Graham Carey, "Sufficiency, Security, and Freedom," *ibid.*, III (Jan. 1939), 5; Beatty, *Lord Macaulay*, 371; Chard Powers Smith, "In Defence of Democracy," *Free America*, I (April 1937), 5-7; Francis P. Miller, "Democracy: A Way of Life," *ibid.*, I (Nov. 1937), 1-2; Stoyan Pribichevich, "Modern Leviathan," *ibid.*, II (Aug. 1938), 13; Frank L. Owsley, review of *The Social Philosophy of John Taylor of Caroline*, *ibid.*, IV (Feb. 1940), 18-19; Ligutti and Rawe, *Rural Roads to Security*, 255-56.

with capitalism and for failing to recognize the need for drastic reforms were surprisingly similar to the complaints of collectivist intellectuals. *Common Sense*, *Nation*, and *New Republic*, the three major journals of liberals and collectivists in the 1930s, all criticized the New Deal for attempting to patch up capitalism rather than moving toward collectivism. According to *Common Sense*, the New Deal was "whirligig reform" led by a President "more renowned for his artistic juggling than for robust resolution." Max Lerner, an editor of *Nation*, attributed the New Deal's errors to Roosevelt's lack of "a clearly articulated social philosophy," and predicted he would be "better remembered for his inadequacies than for his achievements." The historian Charles A. Beard censured the New Deal for not nationalizing the banks and railroads, and for not accepting his vision of an integrated economy directed by government planners. "At the end of the depression, if it ever ends," he grumbled in 1935, "the concentration of wealth in the United States will doubtless mark a new high point in the evolution of American economy." The problem for the Marxist historian Louis M. Hacker was "not how to sustain an edifice whose foundation is slipping and which has displayed vital flaws in most of the parts of its superstructure: not where to continue patching farther or even what to salvage, but what to substitute." By calling a truce to class conflict in the hope purchasing power could be restored, the New Deal had been unable to effect any "enduring changes in the class relations in American economic society." The English socialist Harold J. Laski also disliked Roosevelt's reluctance to diagram a long-range collectivist program. Laski regretfully concluded that Roosevelt simply did not recognize that "the social system in America today is bankrupt."³⁴

The weaknesses of the New Deal, according to decentralist intellectuals, stemmed from the pragmatic spirit and intellectual flabbiness of American liberalism. Refusing to contemplate fundamental social and economic change, the New Deal had merely attempted to ameliorate the worst aspects of large-scale capitalism through welfare programs and federal spending. The basic problems of dispossession, sectional imperialism, and economic centralization, decentralists claimed, had remained relatively untouched

³⁴ Frank A. Warren, III, *Liberals and Communism: The "Red Decade" Revisited* (Bloomington, 1966), 41-42; George Wolfskill and John A. Hudson, *All but the People: Franklin D. Roosevelt and His Critics, 1933-39* (London, 1969), 135-36; Max Lerner, "Roosevelt and History," *Nation*, CXLVI (May 7, 1938), 534; Charles A. Beard, "National Politics and War," *Scribner's Magazine*, XCVII (Feb. 1935), 69-70; Louis M. Hacker, "The New Deal Is No Revolution: Well, Then: What Next?" *Harper's Magazine*, 168 (Jan. 1934), 121-33; Harold J. Laski, "On America," *Living Age*, CCCLXVIII (Aug. 1935), 554; Harold J. Laski, "What Is Vital in Democracy?" *Survey Graphic*, XXIV (April 1935), 179.

during the 1930s. This critique largely agrees with the analysis of the New Deal by radicals during the 1930s and by many contemporary radical historians. Although approaching the New Deal from differing intellectual perspectives, they also emphasize the inadequacies of the Roosevelt administration, especially its failure to redistribute significantly the national income and its acceptance of capitalism and private property. This perhaps reveals the moderate nature of the New Deal. It disappointed both critics and defenders of private property. When contrasted with the European reform movements of the 1930s, the New Deal increasingly appears to be a cautious, middle-of-the-road program which satisfied neither decentralist readers of *Free America* nor the radical and socialist readers of *Nation* and *New Republic*.