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(September 8, 1938)

I am particularly glad here among our mutual friends on home grounds and off the record to be able to fire back at my old friend, Orval Adams. In the relatively few public speeches I make, I make a point of avoiding personal issues. I would like to depart from that rule on this one occasion because in a sense this is a family gathering and, as I have said, is off the record, and secondly, because I discovered that in a speech which the distinguished President of the American Bankers Association delivered at the 47th Anniversary Convention of the California Bankers Association in Del Monte on May 27th of this year he specifically and by name jumped on me.

This speech was entitled, "What Is Left Must Be Saved." I think it would have been more appropriate if the title had been "What Is Right Must Be Saved." After all, what is it that we want to save? So far as I am concerned, I want to save a profit-motive capitalistic economy within the framework of our democratic institutions. I have no hesitancy in calling myself a conservative because I want to conserve our best traditions, our heritage and our established political and economic institutions. But that does not mean, of course, that I am for the status quo or that I am simple enough to believe that we can go back instead of forward.

The differences between Orval and myself are fundamental. I am not content to save what is left. I am not satisfied that this country ever has reached the peak of its productive capacity and its ability to produce and distribute real wealth to all of its citizens—not just to a limited or privileged number. Also I am convinced that

we can make our profit-motive economy and our democratic system function so that it will produce and distribute more and more of the real wealth which our people want in the form of clothing, shelter, food, and the luxuries as well as the necessities of life. I am interested in the money system merely as a means or instrument to that end.

Now, just what is it that has been left that we must save? Have we lost something? I agree that we have, but I doubt that Orval would agree with me as to just what it is. He seems to think that all we have lost is the money the Government has spent in the effort to bring this country out of the deepest depression we ever experienced. What I think we have lost is something different. Rather, I would say, that we have wasted our human and material resources to the extent of far more billions of dollars than are represented in our Government deficits in recent years. And I contend that we cannot afford to go on wasting these resources or failing to put them to better use than we have in the past. Let's look at the substance and not the shadow. The substance of our wealth is the production of our mines and factories. The shadow is our money. As a nation what we cannot afford is the idleness of millions of able-bodied workers and of the facilities which they should be using to produce the substance.

One of the privileges which we, as Americans, still enjoy and propose to continue to enjoy is to speak our minds freely. I am not, of course, challenging the right of the head of our great association of American bankers to speak his convictions. I do reserve the right to challenge his conclusions when I am convinced that they are mistaken and when I am convinced that they would lead the country back into the pit and not out of it.

In the beginning of the speech to which I refer appears a quotation from David Copperfield. It is a piece of advice urging personal thrift. The speech then goes on to say that "as a matter of practical common sense we ought to know that what applies to us individually also applies to us collectively."

I am wondering if my friend has ever heard of a quotation from another distinguished British subject, a philosopher and historian rather than a novelist. I have had occasion frequently to quote Lord Macaulay in an effort to explode this false notion that the affairs of a nation are like those of an individual. It just isn't true, and starting from that false premise you can get into all sorts of illogical thinking and reasoning about public affairs. Writing even longer ago than Charles Dickens and commenting upon the growth of the British debt and the consternation that its growth caused among typical bankers and business men, Macaulay pointed out that the bankruptcy for

the nation which was generally predicted by supposedly wise men never materialized because the real wealth of the nation grew so much faster than the debt. Because the eyes of the prophets of disaster were fixed only upon the growing debt, they failed to take account of the far greater growth of the real wealth of the nation.

Macaulay concluded, and I quote:

"It can hardly be doubted that there must have been some great fallacy in the notions of those who uttered and of those who believed that long succession of confident predictions, so signally falsified by a long succession of indisputable facts. To point out that fallacy is the office rather of the political economist than of the historian. Here it is sufficient to say that the prophets of evil were under a double delusion. They erroneously imagined that there was an exact analogy between the case of an individual who is in debt to another individual and the case of a society which is in debt to a part of itself; and this analogy led them into endless mistakes about the effect of the system of funding. They were under an error not less serious touching the resources of the country. They made no allowance for the effect produced by the incessant progress of every experimental science, and by the incessant efforts of every man to get on in life. They saw that the debt grew; and they forgot that other things grew as well as the debt.

"A long experience justifies us in believing that England may, in the twentieth century, be better able to bear a debt of sixteen hundred millions than she is at the present time to bear her present load. But be this as it may, those who so confidently predicted that she must sink, first under a debt of fifty millions, then under a debt of eighty millions, then under a debt of a hundred and forty millions, then under a debt of two hundred and forty millions, and lastly under a debt of eight hundred millions, were beyond all doubt under a twofold mistake. They greatly overrated the pressure of the burden; they greatly underrated the strength by which the burden was to be borne."

Isn't it about time that we learned this simple truth? Is it so hard to understand that when an individual owes money he generally owes it to another individual, but when a nation owes money it owes it to itself? When an individual pays a debt, he pays it to someone else. When a nation pays a debt, it pays it to its own people. Now, this doesn't mean that a nation can go on and on piling up debt or that any amount of expenditure and taxation is justified. The point is that we get into wholly misleading conceptions if we make the old mistake of confusing the matter of individual solvency with the solvency of the nation as a whole. The individual solvency depends upon continued income and living within that income. The nation's solvency depends upon the productiveness of all of its people. The individual cannot create money. The Government can and must as one of its fundamental sovereign functions. Its primary responsibility is to create an adequate supply of that money for the purpose of aiding production. The individual cannot increase his income by taxation. The Government can. In fact, it seems superfluous to pursue further the point that there is no comparability between the case of an individual and the case of a Government.

Now I recognize quite as clearly, I think, as anyone that the Government can abuse its power to create money. But the real test of whether the Government uses that power wisely or unwisely

seems to me to be whether or not the result is the production of real wealth. It isn't the size of a current deficit or even the size of the national debt that is the true measure. Rather, the truer measure is the size of the national income.

When we entered the depression after 1929 we had a debt of close to \$20 billions. And if our national income at the same time had been reduced to, say, \$20 billions the debt would have been enormous. On the other hand, if our national income had been \$100 billions a year, the debt would have been relatively small. You cannot look at the deficit or the size of the debt alone and say that it is too big or too small. It is a relative matter; relative to our income, to our national wealth, to our production. All of us would, of course, prefer to have no national debt and no taxes. Looking at it from an individual standpoint, I would prefer to have an income of \$100,000 a year and pay \$60,000 in taxes than to have an income of, say, \$60,000 a year and pay only \$40,000 in taxes. In the first instance, I would have \$40,000 left over after paying taxes and in the second case I would have only \$20,000. Isn't it self-evident that this is a relative matter and that we do not face the thing correctly when we work ourselves up into a great state of mind because of a deficit of so much or a national debt of so much and fail to take account of other factors?

I think it is unfortunate to say the least to have public attention misled into becoming alarmed over the wrong things. I very much regret that responsible leaders, however conscientiously, nevertheless mistakenly create public alarm over the solvency of the nation or the soundness of its credit. This is just what they do when they call attention to one set of facts or figures without showing their relationship to other facts and figures. Isn't it up to us to keep our eyes on the important things? And what seems to me to be vitally important is that the Government shall do all it can both to create an adequate supply of funds and then to facilitate the flow of funds throughout our economy in the most productive way possible—that is, productive of real wealth. That is what, as I see it, the Government has been attempting to do, often clumsily, awkwardly and ineffectively. I do not suppose anyone has been more critical openly than I have about policies or expenditures that seemed to me to be unproductive or that seemed to me to interfere with production. The point I want to make here is that I do not think it is realistic, or that it helps us to solve the problems before us today, or that it contributes to saving our system or our democracy to work ourselves up into a frenzy over deficits or increases in the debt while at the same time failing to take account of the enormous gains that have been made.

I do not need to remind you that our national income fell from more than \$80 billions to less than \$40 billions during the depths of the depression. With any such loss of income, almost any public debt was burdensome or taxation too heavy. Yet, if our national income were restored to \$80 billions, or increased as it should and will be sometime to \$100 billions or more, the debt and the taxation would only be large or small in relation to that total income. We know that, although we have had continuing deficits and the debt has risen to around \$40 billions, the national income at the same time has risen from less than \$40 billions a year to about \$65 billions annually.

Now, as I have said, I do not like the deficits or the debt any better than you do, but I would like it far less if there had not been an accompanying increase in income and ability to support that debt. And I think it must be obvious that a deficit of, say, \$3 or \$4 or \$5 billions a year is not something to create alarm about when at the same time there is an increase in national income of more than \$20 billion dollars a year.

According to the speech to which I have been referring, it is the view of the President of the American Bankers Association that we have merely piled up, as he said, \$16 billion dollars of additional public debt, and to quote his words, "We are back where we were in 1935 except that we have added this additional debt load to the load already upon our shoulders and upon the shoulders of

generations to come." To quote further, he said in that speech, "We have materially impaired the value of the savings of our people. We have built up enormous vested interests in tax spending. The Government has largely monopolized the market for bank funds in order to permit continued government borrowing."

Now, of course, we are not back where we were in 1933, or anything like it. As I have just said, our national income then was below \$40 billions a year. It is currently estimated to be running close to \$65 billions a year, notwithstanding the severe setback recently.

Far from materially impairing the value of the savings of our people, they are infinitely safer and more secure today than they were in 1933. How secure were they in 1928 and 1929? It is true that interest rates were higher, and while they lasted, yields were greater than they are today. But are we not better off with lower yields that can be maintained than we are with high yields that cannot be maintained and that not only disappear entirely as they did after the crash in 1929, but entailed a loss of principal and savings.

As for the complaint that the Government has largely monopolized the market for bank funds, just where would the market be for bank funds if the Government was not taking them and putting

them to work? As you all know, we have today the greatest present and prospective volume of excess reserves in the banking system that we have ever had in all history, with the exception of one short period subsequent to the heavy inflow of gold. Interest rates are at unprecedented low levels. Far from being a scarcity of funds, there is the greatest potential surplus we ever had. Thus funds are not being monopolized. The fact is that they are not even being used except as business and the Government put them to use. And if the Government were to step out of the picture, just what would become of the banking system? The truth of the matter is that it would starve to death.

Too many of our bankers and business men are prone to forget that we live in a debtor-creditor economy; that desirable as it may be for the individual to be out of debt and to save money, our economic life would come to a dead stop if everybody were out of debt and saved money. In other words, we cannot have prosperity under our system without somebody borrowing funds and putting them to work. It is not enough merely to save money. That money must be put to work to be of value.

What seems to me to be the most persistent fallacy abroad in the business-banking world is the notion that if the Government would just fold up its tents like the Arabs and disappear from the scene that business certainly would surge forward and that we would

all be prosperous and happy. Now, I admit, and I have said openly that in my judgment some government policies are interfering or have interfered with the free flow of funds into production. I do not suppose Government ever has or ever will in this human world function perfectly. But the point is that there is no justification for the assumption that if the Government stepped out that private business would provide adequate employment sufficient to use our human and material resources in a way that would at all satisfy the great masses of our people.

They are not content today, and I do not think they ever will be content, or should be, to have so low a volume of business and so small a national income that more than half or possibly two-thirds of the population is suffering material and economic disasters. In other words, we must have a certain minimum level of employment and national income to keep our people from open rebellion against our system. They cannot be expected to endure a system, no matter how much we cherish it, which does not produce material and economic well-being for far more than a majority.

Somebody has to borrow and spend money to put people to work. If private business is unable to do it adequately, then the Government has no choice but to step in and do what it can to pro-

vide at least a subsistence until such time as private business can make adequate provision. A good deal of research has been done in recent years by a number of competent disinterested groups ^{all} pointing to what seems to me to be the inescapable conclusion that under conditions at present existing—conditions that I hope will again pass—there is not an adequate outlet for our savings. The opportunity for investment of funds in the productive use of our human and material resources is not sufficient, even though all governmental intervention were removed, to provide a decent ~~and~~ tolerable standard of living for a majority of our people.

Just where would private funds go to work today if the Government were out of the picture altogether? There is, of course, a tremendous backlog of steady business in the country even at the depth of the depression. I suppose there is a certain irreducible minimum, but that is not a tolerable level. Prosperous periods in this country have always been characterized not by mere maintenance of the status quo, but by expansion into new fields and new industries. As you all well know, almost from the beginning of the Republic, we have had until recent times an expanding frontier. We have had great upward surges of prosperity and an era of railroad expansion and of many new inventions, notably the automobile

with all it brought with it in the development and expansion of related industries. The same is true of public utilities, of the radio.

Throughout most of our history we had a rapidly expanding population; immigration barriers were down and the birth rate was expanding. And what is very significant throughout most of our history, we had a shortage of investment capital relative to investment opportunity. Vast sums were borrowed from abroad. The bidding for investment funds kept interest rates on the whole at relatively high levels.

Now, if those conditions existed today our problem would be comparatively simple, but obviously the conditions ~~do~~ no longer exist. We have no such frontier. Our immigration is practically cut off. Our birth rate is declining. Our foreign markets have to a large extent gone. We have, as we had in the late twenties, more capital seeking investment than there are places to invest it profitably and productively. It is perfectly clear now that in the late twenties the plethora of funds, instead of going into new investment, tended more and more to go into speculation in the stock market and especially in real estate. Prices of existing equities were bid higher and higher, but production of real wealth was not keeping pace.

After the collapse of 1929 we complacently imagined that if we just sat tight and waited and balanced the budget that somehow commerce, and industry, and agriculture would revive again and the prosperity that was fondly imagined to be just around the corner would return. We waited ~~three~~ ^{three} ~~four~~ years, but prosperity did not return. The depression deepened. The depression became more acute. In my judgment, no Government, whether New Deal or any other kind of a deal, could have or should have held ~~office~~ ^{office} that did not recognize the necessity for taking the initiative for putting idle men and materials to work again.

As you all know, the first big job was to shore up the crumbling credit structure and to restore the money supply which had shrunk by fully one-third in the deflationary process. And bear in mind that it was business and banking that first ran to Washington with appeals for help for credit to save themselves, and that it was the Government's credit obtained through borrowing that provided the funds to keep banks, insurance companies and other institutions of savings, and other great sections of our credit structure from collapsing further. Yet merely shoring up the credit structure was not enough.

Somebody had to assume the responsibility for converting breadlines into employment, or assembly lines, if you will. I think any government with any sense of public responsibility would have

been forced to provide the leadership and the initiative in the face of conditions that failed to improve when business, though provided with emergency credit to save itself, still was incapable of getting into action and functioning sufficiently to give adequate employment. I hear no complaint from business and banking leaders about putting public credit behind them. They do not and did not object to the public debt being expanded for this purpose. Their complaints almost invariably relate to the public funds that have been spent to put idle men to work or to provide a dole for those unable to work or to get work.

Just what is there today to justify this same complacent assumption that if Government would just get out of the way, business would surge forward and prosperity would return? In just what fields would our great accumulations of investment funds find outlet? In the railroads? We have the intolerable situation in which there is neither adequate public or private investment in the railroads. Is Government to blame for that? Would there be an adequate replacement or expansion program in the utilities sufficient to produce a great volume of business and employment if there were no government interference? ~~I feel~~ I have said publicly that I oppose government ~~inter~~ competition in the utility field. In my judgment threat of government competition is interfering with private investment and activity in this field, but at the same time I see no reason to believe that even if the Government were out of the picture altogether,

there would be any such private activity as to absorb any great number of the unemployed directly or indirectly through potential replacement and expansion in an industry which more than doubled its plant during the twenties and has today an excess capacity relative to consumption.

How about the housing field? Is Government to blame because the cost of housing soared to prohibitive levels beginning at the end of 1936? Did Government put up the prices of basic building materials? Did Government make the unions demand shorter hours and higher wages? Was Government responsible for the crazy quilt of union rules that tend to interfere with production?

Now, these fields, namely, railroads, utilities, housing, are the three major fields in which the depression struck hardest and unemployment was greatest. They are the three fields, particularly housing, to which we might reasonably look for an adequate expansion and utilization of private capital investment to give employment. Just what reason is there to suppose that there would be an upsurge in these three great fields if Government were out of the picture? Or if not in these fields, what new industries, what new frontiers offer opportunities for another forward thrust of private investment which will give employment and create prosperity and thus relieve the Government of the necessity and the responsibility for creating and putting funds to work?

I have heard supposedly wise men say with that same easy complacency that while they cannot see where many would go to work, ^{only} if/the Government would quit interfering that somehow the miracle would take place. I wish I could believe it. Life would be so much simpler. But I do not think any responsible government has the right to take that chance or to assume the risk in blind faith. I think it has an inescapable obligation to have some assurance that there would be a genuine, lasting and adequate revival if the Government were to get out of the way. But until that assurance is reasonably provided, no government, in my judgment, is going to dare to step out and let nature take its course again. I wish this were not so. But I see no other practical or realistic approach to the facts of the situation as they exist not only in this country but in the other democracies of the world today.

I was not surprised that my erstwhile banker colleague reiterated in the speech to which I have alluded that the borrowing and spending by Government had failed. And in this connection he said, and I quote, "And yet only two weeks ago the Chairman of the Federal Reserve Board, Marriner S. Eccles, in an address before the New Jersey Bankers Convention in Atlantic City, asserted that the new Government spending program"—and this is quoting what I said—"is modest, if anything too modest, when measured by the need and gravity of the problem."

From that point on the speech goes on sadly to berate such unsound ideas. Now, let me ask just where has the Government borrowing and spending failed? If you complain about the administration of funds, of political mechanisms by which they have been handled and, no doubt, in many cases abused, although I have no proof positive of this often asserted fact, then I will not take issue. If you contend that the Government funds could have been spent more wisely and more productively, then I will agree, though I would remind you of the difficulties and of the total unpreparedness of our Government as such to grapple with the complexities of finding and making the most useful expenditures. But the bald statement that the money has been wasted is, to say the least, wholly irresponsible.

The effect of the Government's borrowing was both to create new money essential to provide an adequate supply after the great deflation and to put that money as well as idle funds belonging to individuals and corporations to work, because those privately owned funds were not going to work when we had no New Deal or none of the so-called interferences about which complaint is so bitter. Not only did the Government's borrowing and spending program create and put idle money to work, but it gave employment, it created business that otherwise would not have been done, and it resulted in restoration of corporate profits in innumerable lines.

The fact was and it could not be obscured, no matter how great the complaints about Government, that in 1935 and 1936 we were having a large measure of returning prosperity, ~~of~~ rising national income, and accordingly, of rising national revenues with which to diminish the deficit and prospectively to pay down the debt. We were experiencing an unusually orderly recovery characterized by a steadiness in the general price level. In many cases corporate profits were back to 1928-29 levels. Bank earnings were up. The savings, that we are told were impaired, were beginning to return income once more at a steady rate. And these savings, instead of shrinking, were rapidly expanding.

I undertook in the New Jersey speech to give my own personal views as to what happened to interrupt this steady progress. I shall not repeat that speech here, except to say that in general terms I was and I am still convinced that the combination of forces which resulted in the downturn were due to the mistakes of private business, of labor, and of Government, all combined, and that it is fatuous and an ignoring of the simple practical realities to pretend that any one of the three was ^{alone} to blame.

We know now that business piled up a prodigious inventory accumulation; ~~that~~ fearful of higher prices, business in most lines executed a deluge of orders. At the same time business, broadly speaking, permitted a tremendous expansion of consumer credit on the easiest

terms we have ever had. That was especially true of automobiles. And again let me ask, was the Government responsible for the selling policies that prevailed in the automobile field?

While private business was precipitating a feverish boom condition against the fear of higher prices or in hopes of bigger and bigger profits, Government, in my judgment, failed to take adequate compensating action. Notwithstanding the fact that private funds, as evidenced by new capital financing, by the expansion of bank loans, by increasing velocity, were flowing more rapidly and in larger volume than they had since the crash of 1929, Government expenditures were unreduced and Congress voted a \$2 billion-dollar bonus on top of all this great volume of public and private expenditure. And Congress voted that bonus over presidential veto, you may recall.

As contrasted with this concentration of public and private expenditure in 1936, there was a net reduction of more than \$3 billions in the Government's contribution to the spending stream in the very next year of 1937, when there was no bonus and the Government began to collect social security taxes. Now, this net difference of more than \$3 billions in the contribution to the spending stream was bound to give our economy a severe jolt unless there had been an offsetting expansion of private expenditure. And where were we to look for that except in railroads, utilities and housing. I have already referred to the fact that instead of expansion, we have had relative stagnation

in those three great fields due primarily to price policies for which business and labor are basically responsible.

It seemed to me self-evident that unless this situation were rapidly corrected, we faced another dangerous deflationary spiral that would gather its own momentum as it went along just as it did after 1929 and would in the end result in a large and, to my mind, needless new series of deficits and increases in the public debt. In brief, it seemed to me that the quickest way to get back on the upgrade was to correct quickly the unbalanced price situation that had developed. I was not one of those who supposed that the downturn was a mere minor readjustment, but, in any case, it seemed to me foolish not to attack the problem with an excess rather than a lack of vigor. And as I said at Atlantic City, the Government's proposal to step in with a spending program was modest, if anything too modest when measured by the need and gravity of the problem.

Let me emphasize once more that I do not for a moment think that the Government can or should be a substitute for private capital investment and activity. I have felt all along, and the basis of my own thinking about governmental function is that the Government can be a compensatory and offsetting and stabilizing influence and that its broader policy should be governed with a view to moderating booms

and depressions insofar as it can.

When I speak of the need and the gravity of the problem as it then existed, I meant that we were still far from the pinnacle of recovery. Even after the restoration in 1935 and 1936, we still had too many idle men and unused resources. While our capitalism and democracy had not, according to my faith in them begun to achieve what they are capable of achieving, I was not prepared then and I am not prepared now to risk either capitalism or democracy on the unsupported long chance or guess that the Government could again sit idly by and that prosperity would emerge from around some undisclosed corner.

I did not like the prospect of a renewed deficit or an increase in the public debt any better than any of you did, but I ^{saw} ^{escape} no other way to ~~fight~~ bigger and worse deficits and debts, and I was and am convinced that the quickest way to get back on the upward grade was for Government to step in promptly and adequately without letting deterioration and deflation gain the upper hand again. I chose those words very carefully when I said that the Government's program was, if anything, too modest when measured by the need and gravity of the situation.

Just what were the alternatives? Should Government have gambled on ~~paying through~~ retreating all along the line, as I heard so many business men and bankers recommend. I saw a good

many of them at that period and most of them were saying that all we had to do was to repeal a few taxes that allegedly were interfering with private activity or to abolish this or that piece of so-called New Deal legislation. I am afraid that my patience ran rather thin in some of these conversations because it was so evident that men who talked in these terms were thinking only about their own individual pocketbooks and were ignoring the larger economic factors and forces which were the underlying causes of the decline.

For, of course, the things of which they complained did not exist prior to 1929 and, therefore, had nothing to do with that disaster. Nor did these things exist after 1929 and prior to 1933 when we had no recovery, so that these things were not to blame for the failure of recovery to take place then. Moreover, we did have all or most of these things in 1935 and 1936 when we had a very large measure of recovery notwithstanding the alleged deterrents. How, then, can it be said that these were the fundamental factors and their correction would be sufficient to put us back on the road to restoration?

It is my opinion that the most difficult and the biggest problem confronting the great democracies today is to maintain a balanced relationship between the factors of savings and investment on the one side and consumption on the other, and that the

Government's responsibility is both to provide an adequate supply of money and to do what it can to maintain a proper flow of funds as between these basic factors.

Whether we like it or not the overwhelming mass of our people are not going to be willing to go back to a laissez faire, let nature take its course system. Whether we like it or not we are not going to see a liquidation of the so-called reform legislation. I hope we are going to see an improvement in much of it, and I have no doubt that we face an extension and not a reduction in such reform measures by Government.

The choice is not to go back, but to make what we have work. For my part, I do not want to see the Government attempt the impossible role of policeman, guardian and regulator for business. I am not and never have been in favor of price fixing or of the regimentation theories generally. I have been and I am in favor of having the Government operate in broad functional ways through monetary, fiscal and other policy to moderate the extremes of booms and depressions and to offset or compensate for the unbalances or the cumulative mistakes inevitable in the functioning of a free profit-motive economy.

I, for one, would not dare take the responsibility, certainly occupying public office and I think equally if I occupied an important position in private life, of recommending governmental retreat and

surrender of responsibility for the basic economic welfare of our people. I do not think that this or any administration aware of the problems, having a proper sense of public responsibility can or should take any such position. The choice, it seems to me, the only alternative, is general governmental policy that will be compensatory and tend to correct unbalances, distortions and unsound economic extremes through basic functional methods. Believing this, I am wholly at variance with those who offer nothing more than violent complaint of much or most that has been done and advocate merely a reversion towards laissez faire. That, to my mind, is wholly unrealistic. It fails completely to take account of the nature of the problems facing the great democracies of the world and would put in jeopardy rather than safeguard those economic institutions and conceptions which we sum up in the terms "capitalism" and "democracy", and which I wish to conserve.