



off The Shelf

A REGULAR
REVIEW OF
CLASSIC,

OVER-LOOKED, NEWLY RELEVANT, OR
OTHERWISE DESERVING OLDER BOOKS

A GRAND PLAN FOR DECENTRALISM

By John McClaughry

Decentralize for Liberty

By Thomas Hewes; Dutton, 1945

Once upon a time, so the legend goes, in the fair land called America, there was a Golden Age. The bulk of the people of the land were independent, liberty-loving, home-owning proprietors, dispersed in small communities throughout hill and vale, dwelling close to the soil, trading with hard money, and peacefully creating, producing, and helping each other out. But alas, this happy condition did not last. Sinister forces assaulted this arcadian paradise, destroyed the free and prosperous economic competition, concentrated the population in ever larger and more squalid cities, and forced upon the hapless citizens all of the manifold evils of that iniquitous condition called Centralization. First invention, finance capital, and industrialization gave birth to powerful and oppressive Big Business, clustered in ugly urban knots around the country. Costly and meddling Big Government arose to control its evils. And finally, in a misbegotten attempt to balance Big Business's power, Big Government passed laws creating Big Labor.

This baneful trend toward centralization of power has been the complaint of many American thinkers, a roster which by 1945 came to include Thomas Hewes. By the time he set pen to paper for his first and only book, Hewes had had a long and moderately distinguished career. He earned his law degree from Yale in 1912. After a two-year term in the Connecticut legislature and service in World War I, he settled into the life of a civically hyperactive business lawyer.

Hewes served on countless state and bar association commissions for the advancement of good government, and was tapped by the incoming Roosevelt administration to be assistant secretary of the Treasury. After a year in that post he moved to the State Department, serving for two years as Cordell Hull's special assistant. During World War II he held more appointive positions.

From all of this experience, he was to write, came "his deep persuasion of the egregious folly of the people looking to government for their personal economic security, the deadly and insidious parasitism of bureaucracy, the appalling confusion of centralized administration, and a more particularized appreciation of money, foreign trade, and the practical inutility of government control in the economic field as an instrument of individual welfare."

Much of *Decentralize for Liberty* is a passionate attack on the stultifying hand of bureaucracy, the crushing of competition by giant businesses, and all sorts of statist nostrums concocted to deal with the effects of centralization. The solution to these problems, Hewes divined, is simple. Since the problem is centralization, the solution is decentralization. "If decentralization were a complicated thing, it would not work.... Decentralization requires no great bureaucracy or involved statutes or large expenditures or armies to make it work. It needs just the desire to cooperate."

Cooperate at what? First we simply "create and enforce a really free market; that having done this we start a full flow of energy by making it worth while for each of us to take hold. We do this by cutting taxes to a minimum and by establishing a sound dollar; we open up so far as may be in our power, the free flow of foreign commerce; we implement the economic plan by a drastic cut-back in the federal government both because it will reduce taxes and remove another type of over-concentration; to loosen up concentrations of people and release energy we take practical steps to induce a spreading out into less thickly settled sections, and finally we argue that in assuming personal responsibility for such a plan we become part and parcel of a movement which will put an end to personal

doubt, bewilderment, and drifting and engage ourselves in the greatest struggle facing mankind today." Whew!

Of course, Hewes concedes that more is required than merely announcing the remedy. The bulk of his book provides detailed steps for decentralizing. And as so often happens with those who seize upon Hamiltonian means to achieve Jeffersonian ends, the solution becomes a parody of the problem.

For among Hewes's techniques we find an astonishing array of new governmental institutions. There is a federal Department of Economics, sort of a super Federal Trade Commission charged with making sure that America's businesses operate within their assigned purposes. There is an Economic Court, with divisions in each of the 48 states, to "enforce the free market." A Debt Commission of unpaid members would formulate for Congress "a comprehensive and dynamic scheme" for eliminating the national debt, including a "typical American door-to-door campaign" to persuade holders of U.S. government debt to turn it in for cancellation, or at least exchange it for non-interest bearing bonds. Page after page of such proposals is capped by a denunciation of Rooseveltian economic planners who are "lending lip service to the individual and his welfare under a free constitution while at the same time zealously espousing salvation through government." In all this Hewes combines decentralist philosophy with regrettable centralizing proposals like those later put forth by Hubert Humphrey, John Connally, Nelson Rockefeller, and Ira Magaziner.

What is of value to us today in Hewes's schizoid advocacy of aggressive government action to save the American dream from too much centralization? *Decentralize for Liberty* clearly illustrates the difficulty of achieving a worthy goal—reversing economic, political, and social centralization—by creating coercive new institutions of centralized power. Alas, there is little reason to believe, in 1945 or in 1996, that such a strategy will do anything more than trade in old evils for new, possibly even worse, ones.

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The Digest



SUMMARIES OF IMPORTANT NEW RESEARCH FROM THE NATION'S UNIVERSITIES, THINK TANKS, AND INVESTIGATIVE PUBLICATIONS

POLITICS

The Second Coming of Religious Conservatives

Mark J. Rozell and Clyde Wilcox, "Second Coming: The Strategies of the New Christian Right," in *Political Science Quarterly* (Summer 1996), *Academy of Political Science*, 475 Riverside Drive, #1274, New York, New York 10115.

Today the "Religious Right" is one of the most successful parts of the Republican coalition, but a decade ago, Christian political groups were far less effective. The once-potent Moral Majority, for example, went out of existence in 1987, and the political activities of Rev. Pat Robertson were ineffectual until the Christian Coalition was established in 1989.

What caused Christian groups to gain clout? Rozell of the University of Virginia and Wilcox of Georgetown University argue that the Christian advance is largely due to improvements in coalition-building. In the 1980s, Christian groups often were reluctant to form alliances: The Moral Majority was mostly a Baptist organization that often disdained other Christians, including other Protestant evangelical denominations; and Christian groups often refused to compromise on core issues. By insisting that their candidates should support bans on abortions, for example, pro-life groups often lost elections to candidates backed by pro-choice groups more willing to make compromises. Some Christ-

ian groups even declared that their ideological foes were tools of Satan.

In the 1990s, religious conservatives have been more flexible—and more successful. Evangelical Protestants routinely form alliances with Catholics, Jews, Muslims, and Mormons; and Christian Coalition lobbyists in Washington include Orthodox Christians and Jews. They've helped elect Republican candidates, such as Sen. Kay Bailey Hutchison (R-Tex.) and Sen. Paul Coverdell (R-Ga.), who call for restricting but not banning abortion. And they've increasingly focused on issues, such as lowering taxes and fighting crime, that appeal to non-religious conservatives.

Rozell and Wilcox argue that it's too early to tell if moderation will be the key to electoral victories for religious conservatives. They note that in Virginia, despite intensive evangelical support, Michael Farris still lost the lieutenant governorship in 1993, and Oliver North was defeated for the Senate in 1994. But they observe that Democratic strategists are confused by Christian moderation. "Democrats who have successfully linked Christian Right candidates with Falwell and Robertson in past campaigns," they write, "now worry that these new efforts to mainstream the message will make Christian Right candidates more formidable."

Why Frontiers Won't Matter

Richard Rosecrance, "The Rise of the Virtual State," in *Foreign Affairs* (July/August 1996), *Council on Foreign Relations*, 58

East 68th Street, New York, New York 10021.

The rise of the multinational enterprise has led many to observe that these global businesses are "virtual corporations" not rooted in any particular nation. Rosecrance, a political scientist at the University of California (Los Angeles), points out an interesting parallel trend—the growth of what he calls "virtual states," high-tech nations that will cause traditional notions of international relations to be revised.

For example, it's long been said that nations go to war to gain wealth through conquest of land. But these "timeworn methods of augmenting national power and wealth," he argues, "are no longer effective." Land, and the natural resources that come from land, have steadily fallen in value in recent decades. And the ease of shifting capital across borders greatly reduces the value of the assets conquerors can seize. When Iraqi forces stormed into Kuwait in 1990, they found that the Bank of Kuwait had shifted the nation's assets overseas, ensuring that Kuwaiti wealth could be used to free their nation from Iraqi tyranny.

In the twenty-first century, Rosecrance argues, the model for a successful nation will not be a great empire, but such flexible, wealth-generating city-states as Hong Kong and Singapore, who seek not to "excel in all economic functions" but to specialize instead. Their factories may well be in other