

Fact and Comment

B. Forbes

Courage Begins To Appear

Courage is beginning to appear in the business world. Two reasons: First and basic is the unmistakable demand for fairer political treatment of industry; second, multiplying signs that the three-four-month downtrend has run its course.

True, third-term protagonists are exulting, especially over their success in inducing Texas to modify its do-or-die stand for Garner regardless of how many delegates may plump for Roosevelt on the first ballot at the Democratic convention. But the reasoning now is that, regardless of what happens Rooseveltwise, Congress and public opinion will curb future attempts at business-baiting. Every yardstick indicates that Republican gains will be scored next November. Hence, the rising hopefulness among responsible men of affairs.

Latest economic developments are reassuring. Retail trade is more than holding its own. Motor companies are running 25 to 40% ahead of last year. Railroads are doing better. Power consumption is encouraging. Principal farm commodities net substantially better prices than last Spring.

Most first-quarter earnings' statements are exceeding expectations. Some dividend increases are being announced.

Events in Europe presage greater increased purchasing power here by belligerents.

Spring promises to bring its own tonic.

Winners don't whine. Whiners don't win.

Beware of Washington Aid

Germany's leading industrialist, Fritz Thyssen, early backed Hitler. A "strong" government was regarded as urgently desirable. Hitler duly became powerful. But Thyssen and all other employers discovered that government can become sufficiently dominant to make vassals of business leaders, industrialists, capitalists, bankers, every class from the humblest to the highest. Now Thyssen is a fugitive from Germany, his vast properties confiscated by Germany's Dictator.

This contains a profound lesson for those American business men, not a few, who have run to Washington in recent years for "aid." Washington has eagerly seized every opportunity to invade fields of private enterprise.

Through its bewildering multiplicity of commissions and bureaus and boards, it has skilfully contrived to obtain wholly unprecedented control over investor-owned enterprises. "The borrower shall be servant to the lender." Washington has become the towering lender—of taxpayers' money. The New Deal Administration has become the "master"—to use Roosevelt's word—of business and industry and finance and securities beyond anything ever before approached in this country. "We plan it that way."

Fresh schemes are being hatched at Washington to expand its octopus grip, stranglehold, on business, to usurp banking, even insurance.

Secretary Ickes, reprimanding a prominent Texas publisher for supporting Garner (the only declared Democratic candidate) boasts that he (Ickes) brought "rich gifts" to Texas. These "gifts" came, of course, from the pockets of taxpayers. The American people will one day learn, if they have not already begun to learn, that "gifts" from Washington cost too dearly in the long run. Each billion collected or borrowed and handed out by Washington expands and strengthens its autocratic relationship, usurpation, un-Americanism.

*The genuine executive not only thinks
but inspires others to think.*

Managing Men Comes First

The most successful manager, executive of tomorrow promises to be the one who combines practical knowledge and experience in production and sales with mastery of psychology. The guiding spirit of the towering enterprise of the future needs must know how to handle effectively political bodies, labor unions, "consumer" organizations and, above all, his own employees. President Chester I. Barnard, of the New Jersey Bell Telephone Co., told the annual gathering of the Prudential Insurance Co. at its annual dinner that ability to handle people has become far more important than mere technical knowledge. He is right. As civilization advances, men are being rated more and more above materials, machinery. It is infinitely easier to learn all about a machine or a manufacturing process than it is to learn all about human nature and how to earn ardent loyalty.