Review of "The End of Economic Man"

Mr. Drucker is one of those writers to whom almost anything can be forgiven because he not only has a mind of his own, but has the gift of starting other minds along a stimulating line of thought. There is not much that needs forgiveness in this book, but Mr. Drucker tends to be carried away by his own enthusiasm, so that the pieces of the puzzle fit together rather too neatly. It is indeed curious that a man so alive to the dangers of mechanical conceptions should himself be caught up in the subordinate machinery of his own argument. His proof, for example, that Russia and Germany must come together forgets the nationalism which has developed in Russia during the last twenty years and which would react very strongly against any new German domination of Russian life. But such excesses of logic are pardonable enough in a book that successfully links the dictatorships which are outstanding in contemporary life with that absence of a working philosophy which is equally outstanding in contemporary thought.

In his approach to totalitarianism Mr. Drucker brushes aside the familiar contention that it is the last refuge of Capitalism in desperation. It is not only Capitalism that is desperate. Marxian Socialism is in equally bad case. Our concern here is with Capitalism as a philosophy; Capitalism as a means of producing goods in constantly increasing volume at a constantly diminishing cost is by no means a failure. Where Capitalism has failed is in its exhibition of the Economic Man as a social ideal. In the heyday of industrialism it was argued that the competitive system gave a free and equal chance to everybody. Freedom and equality are the central ideas of European civilization, but people are now ceasing to believe that competition is a means to their attainment. Hence our present social bankruptcy.

The Marxians offered the alternative of a classless society. But that has lost its attractions also, because it is clear that Socialism in practice creates a new and highly organized class structure of its own. The present social order having thus lost its theoretical justification, the average man is no longer prepared to tolerate its twin evils of war and unemployment. They have become demons which haunt him, and his last hope is that they will be exorcised through the miraculous intervention of a demi-god. That is the hope which the dictatorships satisfy. Men seek refuge in them not because believe in them but because anything is better than the present chaos.

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As a matter of principle, therefore, it is enough for totalitarianism to condemn the orthodox social order without offering anything in its place except the organization which is the visible opposite to chaos. Mr. Drucker is thus led to ask whether totalitarian economics are really as gimcrack as orthodoxy tends to represent them. He finds that the dictatorships offer social compensations for economic restrictions, and that the worst restrictions are imposed on those who were formerly members of the upper and middle classes. More than that, the dictators have been able to finance the production of capital goods out of the sums saved by restrictions on consumption.

That the consumption goods produced should mainly take the form of armaments does not justify us in pointing horrified fingers at wastefulness; for if guns exhaust their usefulness in a few years, so, for example, do radio sets. The totalitarian system can, in fact, function for a long time so long as it is self-contained, though the diversion of consumption goods to pay for imported raw materials constitutes a heavy strain. But the real weakness of totalitarianism is that it offers the Heroic Man as an ideal in place of the Economic Man. From the individual's point of view it may be all very well to have something to die for, but it is impossible to build up a society on a basis of lives, which are meant to be sacrificed. That way lies anarchy, and it is because the organization which the dictators offer stands in the last resort for nothing that it will eventually fail.