



J'accuse

—Dr. Ralph Borsodi

I accuse economists of malpractice.

I accuse them of mal-teaching in the schools and of mal-writing in their text books. I accuse them of mal-counselling the big banks and the big institutions which shape the nation's economy. I accuse them of mal-advising the government morally and economically. Specifically I accuse them of mal-advising the government about inflation ever since the International Monetary Fund was organized at Bretton Woods in 1944.

I accuse them of indifference to what should be the polar star by which they guide themselves, the injunction to tell "the truth, *the whole truth*, and nothing but the truth."

I accuse them of making a fetish of objectivity and of being indifferent to the true aim of economics. It is not only to describe existing economic systems, economic problems and economic doctrines, but to evaluate them. Economics should not only be descriptive; it should be normative; it should answer the question of values—of what should be done to create a good economy, and so make possible a good society. Specifically this would include making moral judgements about economic proposals and economic activities. This is the true aim of economics.

Specifically I accuse the Keynesian economists of making charlatanism respectable. It is not true that government policies which cause inflation solve the unemployment problem; no matter what these may do momentarily to reduce unemployment, they only increase it in the long run. But even if these could create full employment, the legalized embezzlement now called inflation could not and would not be justified. A society which can only function by deliberate official stealing is a demoralized and decadent society; it can not and should not endure.

Specifically I accuse conservative economists of failing to see and to teach that greed, even if called the profit motive, cannot create a good society; it can only create a crises-ridden, revolution-prone one. Not the predatory competition of monopolies, oligopolies and the vested

interests with special privileges, but the competition in free markets serves both sellers and consumers.

Not exploitation but mutual service creates a good society. Not "business is business;" not "the devil take the hindmost;" not "after us the deluge," (as with inflation) but "mutual aid" should shape mankind's economic policies and activities.

I accuse economists of failing to call attention to the fact that the big banks of the nation financed with "brokers' loans," the stock market boom of the 1920's—a boom which led to the Great Depression of the 1930's. For over thirty years they have now been financing government deficit spending and government inflation of the money supply. Then they believed that the "New Era" would never end. Now they believe that they can continue financing government spending and inflating indefinitely.

Specifically I accuse *liberal and welfare-state economists* of failing to see and to teach that the use of laws, of the covert and overt police power of the government to abolish unemployment, to control the prices now being raised by inflation, to ration goods, to raise wages, to increase the gross national product, to promote national interests and to develop underdeveloped nations is morally and economically indefensible. What they ignore is that to resort to force, to use the government coercion inevitably becomes more and more arbitrary and authoritarian.

Specifically I accuse *Marxist economists* who rationalize resort to revolution, including those Socialist economists who merely deplore it, of failing to tell the whole truth about the brutality used by existing Communist states in trying to create utopian societies in which the rich (the "bourgeoise") are made poor, and the poor (the "proletariat") made rich. Dictatorship and despotism are not justified by ideals—no matter how lofty—which Communist leaders profess.

Specifically I accuse the *economists of the affluent developed nations of the world* of failing to see and to teach the truth about speculation, of failing to see and to teach that speculation is an economic evil and not a good, that the "Wall Streets" of the world—their stock exchanges, commodity exchanges, and foreign exchange markets—are the biggest and most vicious gambling dens in the world. Speculation does not stabilize prices, as they

"J'accuse" — is the title which Emile Zola used on the book in which he accused the leaders of the French army of treason in 1898, and of sending Captain Alfred Dreyfus, because he was a Jew, to Devil's Island as a scapegoat to avoid their own exposure.

maintain. On the contrary, it intensifies the wildness of their fluctuations.

I accuse them of failing to see and to teach that not the profits of big banks and brokerage houses and big business, and the financing of spending by the government, but that prosperity in the homes and on the homesteads, on family farms and in craftsmen's shops and in the small businesses of the nation is what makes a good economy.

I accuse them of failing to see and to teach that economics, which is a world-wide activity, by its nature, is a seamless web—a web now torn into tatters by rival national inflations and rival national tariffs. I accuse them of failing to see and to teach that this web must be made whole again by stopping inflation and establishing free trade. Only this will make the well-being of all the nations of the world possible.

Finally I accuse economists of failing to say one word of condemnation during the Great Depression and the great deflation of the 1930's about the bankers and the other creditors of the nation who were stealing the debtors of the nation blind, including tens of thousands of farmers from coast to coast. They were then unable to tell the nation how to end the deflation. Now they are unable to tell it how to end inflation—the inflation which is stealing the earners and savers, the depositors in banks and the other creditors of the nation blind.

Implicitly, if not explicitly, economists today insist that economics should be dealt with by economists and not by moralists; that economists should make no moral judgements; that to make moral judgements is for them to sin against the idol of objectivity. But making moral judgements is an essential part of the profession not only of economics but of all the social sciences.

The Scriptures tell us "without vision the people perish." That is just as true today as it was centuries ago. I accuse economists of failing to provide the vision now needed. I accuse them of devoting themselves to immediate palliatives and temporary expedients. I accuse them of ignoring the fact that as the nations of the West continue on their present course, as each nation continues to increase its already fantastic national debt, they are coming closer and closer to a complete collapse, to a debacle in which they will turn either to military Fascism or revolutionary Communism as the only way out.

—Ralph Borsodi
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