

Office Memorandum • GEORGETOWN UNIVERSITY

TO : Professor Quigley

DATE:

FROM : Dr. Solterer

SUBJECT:

Dear Carroll:

I am returning with thanks the copies of the two versions of your Galbraith review and enclose a copy of the remarks I wrote for the Education Committee, Faculty Senate. As you will see, I profited from your reflections, but went into a different direction in my assessment, than the one you wrote.

If an opportunity arises, I would like to discuss the matter with you further, especially in view of your attitude toward the faults of current teaching which I share with you.

Thanks again

Joe

Carroll Quigley, in the most circumspect review of the New Industrial State I have seen, The Sunday Star, June 25, 1967, shows in his opening sentence the significance of this book for the work of our committee. He writes: "This is an immensely important book. It should be read, analyzed, and unemotionally discussed, not by economists, but by citizens. The economists, as most academicians, are hampered by their specialist training from seeing their subject in the full social context, and will be particularly offended by this volume, whose lessons, if generally accepted, would destroy economics as a separate intellectual discipline, or, at least, would reduce it back to political economy from which it emerged in the eighteenth century."

Formally expressed, the book deals with the problem of the dialectical interrelations of man's work and himself (about 3/4 of the book) and the consequences of these in the ordering of society, in which task the leading role is assigned to an academic elite.

The mere posing of this problem, quite foreign to traditional U.S. thinking, and broadcasting it as a best seller, justifies in my opinion, Quigley's opening sentence.

Without acknowledging it, the author actually elaborates the dependance effect of his earlier work, i.e., the abandoning of the concept of consumers' sovereignty, substituting for it the technical requirements of production as the last reason for producing

and influencing the public and the government by advertising and by other means to want to consume just this output.

This book is written by a passionate reformer, rather than by a sober scholar. Thus no connections are sought with the work of Engel, Schumpeter, Veblen, Berle & Means, of recent Marxist philosophers on alienation, of mathematicians as Schouten & Becker, Pfaff's problem and differential analyzer as dialectical models and of still other writers among whom Teilhard de Chardin certainly occupies a foremost place among modern students of development.

This emphasis and its shortcoming, I felt particularly in the last part of the book, dealing with the proposals of ordering future social life. It is self-contradictory, assertive, and angry.

In this respect, it seems to me that it might be useful, at a later stage of our work, to study Professor Rudolf Aller's reflections, who in his last years took up the problem of the dialectics of work. Here are three articles by him on this subject.

- a) The Product; Remarks on the Metaphysics of Human Creativity 1958
- b) The Subjective and Objective 1959
- c) Reflections on Co-operation and Communication 1960

The neglect of associating his work with that of other students of dialectical systems, as well as his reformist ardor, might be an explanation why Galbraith, the Scotch dissenter, despaired in finding wisdom among all people and limit future esthetic and moral

insight to an academic elite, without indicating, however, how or why only these people would arrive at such precious knowledge

II

Galbraith, as did Veblen and Berle & Means, his unacknowledged American ancestors, rejected as unreal, the basic assumptions of classical economic theory, and most current economic teaching, and also of the ancient common law tradition that the economy consists of a large number of small firms without market power who can only adjust their actions to the sovereign will of consumers. His evidence that only a small group of large corporations dominates American economic life is exaggerated to the degree of falsification; nevertheless, this assertion serves well as an illustration of a more general way of considering a social economy; It involves not only an adjustment of given scarce means to independent wants and technologies, or poses not only an optimization problem of allocation of resources so defined, but rather becomes an integration problem of a continuously innovating technostructure seeking the power of remaining and growing.

Galbraith indicates, again in vastly exaggerated terms, how this happened in the U.S. The giant corporations freed themselves from the control of outside finance. They acquired the capacity to influence aggregate demand to absorb the output which the technostructure demanded by the management of wants, and they transformed their decision makers and employees from independents, seeking their largest personal profit to teamworkers ^{Adjust their goals} who*to the common end of the super-corporations of growing ever larger.

This mega-economy, according to Galbraith, depends also on the cooperation of the government, who purchases that part of the ever-increasing output which cannot be absorbed by the consuming public and which takes the form of military hardware to deal with the political instabilities all over the world.

This symbiosis of the technostructure and political government is the New Industrial State in this country and, according to Galbraith, is ⁱⁿ distinguishable from that of the Soviet Union or any other modern industrial state.

Throughout the major part of the book, there is the suggestion that the expansionist drive, the emergence of giant industrial organizations, their fusion with the government and the adaptation of personal wills to the requirements of the techno-structure is an inevitable consequence of an advancing technology.

Later, however, this is called an evil, cancerous growth, which brings all life in a gigantic brain washing operation under the domination of the techno-structure.

The salvation is to come from the "intellectual and scientific estate" whose task is to break the strangle hold of the industrial state on higher education, via separation of government from the mega-economy; indeed a strange remedy to suggest after having spent the larger part of the book in the demonstration that the mega-economy has taken over the government and this not by arbitrary acts of will but by the necessities of expansion.

III.

Galbraith appears to me, bewildered in his outlook on the future. Quigley concurs in this judgment, and adds that Galbraith, still a narrow economist despite his attempted escape to a broader vision of social life, forgets to consider two preliminary needs for orderly economic development without the danger of losing personal independence: An acquisitive outlook by all and domestic tranquillity.

For our purpose, however, of extracting guidelines for assessing the future role of Georgetown, I would judge Galbraith's work differently. As mentioned earlier, I see its merit, despite all exaggerations and inconsistencies, in his suggesting as the major educational problem of our times and the future, the problem of integrability of dialectical processes in all fields; the establishment of their ends or the invariances in development, which could serve as goals in the restructuring academic action.

It so happens that Father Hesburgh, speaking on the future of Notre Dame apparently had similar thoughts. In his address at the conclusion of a recent symposium for U.S. educators, he saw greatness rather than excellence for a catholic university in dedicating itself to the further exploration of the two paths of human development, as have been indicated by Teilhard de Chardin, one involving the humanization of all creation by man, and the other, the supernatural transformation embodied in the Christian message. All universities, he said, are committed to the former end. Catholic universities must also be concerned with the Teilhardian supernatural development. Father Hesburgh mentioned

that this comeback to greatness has already begun in many places,
Notre Dame being one of them.

January, 1968