

The Bear Who Let It Alone

During the '40s and '50s, one of the most popular American authors was James Thurber (1894-1961). He was a regular contributor to the New Yorker, a magazine which then had an even greater following than it has today. He also wrote essays, a book about his family history, and many humorous pieces. Some of these were collected in the first volume of fables entitled *Fables for Our Times* published in 1940 by Harper Bros, now Harper, Collins.

I was thinking about the monumental changes which have taken place in U.S. and Canadian society since the collapse of the Soviet bloc and was reminded of one of Thurber's fables: "The Bear Who Let It Alone." There was a large brown bear who had a wife and small children. He originally was a social drinker at a nearby bar, but had somehow become an alcoholic. When he was drunk, he became manic, knocked down furniture, broke windows and caused other damage until he would collapse on the floor and finally go to sleep. Thurber reports that the bear's wife "was greatly distressed and his children were very frightened" by these episodes. Fortunately, the bear reformed and became a famous teetotaler and a frequent temperance lecturer. Anyone who would come to the house got a lecture on the awful effects of drink. To show his visitors what a strong and healthy bear he had become, he would stand on his head, on his hands, and turn cartwheels. During these demonstrations he would knock down furniture, break windows and cause other damage, so that his wife became "greatly distressed and his children very frightened."

MORAL: You might as well fall flat on your face than lean over too far backward.

It seems to me that this story written a long time ago, without any thought about world politics, neatly describes our situation at the beginning of the 21st century. When the government of the individual Soviet Republics and the Communist countries of Eastern Europe collapsed, the real surprise to the rest of the world (besides the wretched population policies and orphanages in Rumania), was the fact that the workers' paradise had done a surprisingly bad job in protecting the environment. Repression, poor goods and services, and corruption were all very familiar. In other words, socialism — the idea that government should not only have political power but run the economy as well — had had at least two generations to prove itself and had failed miserably.

From now on, "Capitalism with a Human Face" was the only sensible game in town, even if it could not be a "happy" face, since free enterprise necessarily produces winners and losers. But instead of the human face, we built or slid into "Capitalism with an Ugly Face." Fabulous profits in the stock market enjoyed by large segments of the population covered up what was happening everywhere else. Rich people became very much richer, poor people, including the working poor, became poorer, and the rest of the population were very insecure. Blue-collar jobs which were largely unionized and well paid, disappeared by the millions as factories closed and the work was transferred to other countries. Many jobs in the service industries opened up, although almost all were non-

union, and most, but not all, were not well paid. Many permanent jobs were abolished and the work was done on a contract basis, allowing employers great "flexibility" which saved them the cost of fringe benefits such as health insurance and pensions.

President Reagan said that "government is the problem" and his friend, Lady Thatcher said that there was no such thing as "society." This kind of talk, readily endorsed by politicians and influential members of the media, led directly to Enron, Worldcom and other scandals. How? The word went out and was believed that the only thing that mattered was the "bottom line"; but not the bottom line in the next five years, but the bottom line in the next 90 days. If one's stock portfolio trebled in ten years, what difference did it make if the CEO's received thousand times (!) the salary of the average employee, stock options, and "loans" which were often "forgiven"? Of course there were also massive layoffs, but except for those over fifty years old, most "severed" employees were able to find other employment.

And before the bubble burst, there was also another interesting and related phenomenon: since government was inherently "bad," why not let the private sector have a go? Quite suddenly "for profit" prisons, "for profit" schools, "for profit" hospitals and "for profit" health insurance organizations appeared. And the "bottom line" approach started to influence the way colleges and universities conducted themselves. I was also startled to find that the price of admission to one of the finest public museums in New England was more than twice the hourly minimum wage of the area in which it stood. There was, however, a nasty problem: Many of the organizations had a completely different purpose than to make money. If teaching staff at a college was "contracted out" in order to avoid paying fringe benefits, the institution gave up not only continuity but also the possibility of attracting and keeping the best teachers. The more time you spent with schoolchildren who had problems, the less profitable the school; the less you treated patients, the more profitable the HMO, and so forth ad infinitum. The environment did not have an immediate bottom line. Therefore it was O.K. to talk "green" and even to recycle, just as long as it did not interfere with business.

The task before thinking people in the industrialized democracies is how to get to "Capitalism with a Human Face" not only for themselves but for less fortunate societies as well. In Thurber's terms we should try to be bears that walk upright, that do not look back to a dream that has failed, but work at a new synthesis which rewards initiative and hard work, without forgetting the "Common Weal." Yes, Lady Thatcher, there had damn well better be a "society," unless we want to live in a jungle

Note: Regarding the new inequality, Paul Krugman wrote an excellent article entitled "The End of Middle-Class America" in the New York Times Magazine of Oct. 20, 2002.

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Date of publication : November 2002