

**Samuel Insull:
Business as Usual**

The nation was headed into deep depression when Samuel Insull, president of Commonwealth Edison, addressed The Economic Club of Chicago on December 3, 1929, as his company was embarking on a \$200 million building effort.



“To know where we stand we have surveyed the general business conditions of the country to the best of our ability. We are convinced that the credit situation of the country is good; that collections are practically normal; that there is no

extraordinary accumulation of inventories; that the market disturbance was not caused by a shortage of money; that money, in fact, is plentiful. We know that the success of our business depends upon the success of other businesses. We know that the extension of the use of our service depends upon the financial ability of the everyday householder to use and pay for that service.

“We know that to justify this program of expansion in our industry, the whole country must be expanding its enterprises. We know what every other good businessman knows, that all lines of business are interdependent; that no one business can succeed, for any length of time, unless other businesses succeed also. We know that our customers cannot pay for light and power unless they can make, in their own businesses, the money with which to pay. We know that our bills are paid out of current earnings or not at all; that they are not paid out of savings or stored wealth.

“Upon these considerations, and only upon these considerations, we will be justified in going ahead with our program. If we should undertake to spend \$200 million of new money upon any other excuse, such profligacy would brand us as poor businessmen. The poor businessman does not add

greatly to the prosperity of his country at any time. He can be a positive menace if his theories and practices are permitted to prevail in times when there is a feeling of uncertainty or alarm.

“Such times create a special need for steadiness, for everyday common sense and for straight thinking. We have had a period of hysteria, during which those who were afflicted acted, generally, without thinking at all. Those who suffered most in that period were those who had the worst cases of hysterics. Whether the spread of the ailment has been stopped remains to be seen. We think it has. Therefore, our intention is to go ahead with business as usual.

“Of one thing we may be sure, however. We cannot prevent a recurrence of destructive hysteria by prescribing a building hysteria. To plan and build and fail, or to plan unwisely to build and carry out the undertaking, will have as bad an effect, in the end, as the original hysteria to destroy. A buying hysteria preceded the selling sickness; there was much unwise over-promotion before the avalanche of deflation fell upon us. Because some of us lost our heads going up the hill, more of us lost them coming down. The thing most needed now is to keep our heads. We need to get back to our jobs of creating something useful in our country’s economy; we need to give up dreams of getting something for nothing in the stock market. We need to get back to business as usual, which means work and thrift and the exercise of prudence in investment.

“I make these statements particularly to this audience because, and I know whereof I speak, it was not the small holders, the men who work for their money and invest their savings for the protection of their later years, who lost their heads and threw their holdings upon the market for what they would bring. The small investors kept their heads and sat tight. They saw their paper profits melt like snow in the springtime, and still sat tight. They had the good, common sense to know that it was not value that was declining; that the earning power of their securities was as great as ever.

“If we are to have business as usual, and it is my sincere belief that we are, it will be because of the faith, of the common sense, of the small investors. After all, while the men at the top may do the shouting, the men at the bottom carry the load.

“The men at the top would inspire more confidence in themselves if they would shout in unison. Take Washington for instance. Business will never get anywhere whilst our leaders there are trying to promote prosperity at one end of Pennsylvania Avenue when destructive criticism goes on at the other end. Neither will we establish a sound basis of prosperity throughout the country by trying to give something more to the farmer which must be taken away from the manufacturer, or vice versa. To rob Peter to pay Paul will be no great help to the general purse.

“Gentlemen, the fundamentals of American prosperity are in the possession of the American people. The stock market happenings of the past two months have not diminished the resources of the country by the value of a single dollar. All we need to do to achieve an enduring prosperity is to devote our energies toward the creation of wealth, rather than to the creation of prices. And if the happenings of these last two months have served to make clear to our people the dangers of speculative policy, if they have given us a lesson in thrift and prudence, then the sufferings of the shorn lambs will not have been in vain.

“No miracle is necessary to pull business back to its proper level. No attempt to lift a battered prosperity by its own bootstraps need be undertaken. The elements of prosperity remain, as always, work and thrift and prudence. With our natural resources we are neither compelled to work as hard nor to exercise the same degree of thrift to create wealth as other peoples, less happily circumstanced. We who live here are favorites of fortune. We ought to be ashamed of ourselves if we fall short of our opportunities. It will be our fault if we let the mean in spirit or the malignant in disposition either scare us or talk us out of our rightful heritage. That heritage is, as I see it, wealth and the

comforts and advantages of wealth, together with protection from the ills of poverty, beyond the most ambitious dreams of any other nation upon the earth.”

**Samuel N. Harper:
The Bolsheviks**

Samuel N. Harper was a professor of Russian Language and Institutions at the University of Chicago when he addressed The Economic Club of Chicago on October 28, 1930.



“The men behind what is going on in Soviet Russia are Bolsheviks. We haven’t heard that word so much of late. We heard it a great deal at the beginning of the revolution. The word has been revived in Russia during the last two years...

“The methods which these men adopt, the methods these men have of doing things, is called Bolshevism. There is a definite and one might say a peculiar Bolshevik psychology. We too often forget this aspect of the situation. The Moscow leaders never forget it. They themselves speak of their special Bolshevik psychology and of their Bolshevik methods. They tell themselves and others that they are doing this or that Bolshevik fashion; that they are meeting a problem as a Bolshevik should meet it; that they are introducing a Bolshevik tempo of economic development...

“Now, it is one of the sources of strength of the Moscow leaders that they are always conscious of being this particular type of leader, the Bolshevik. Also it should be added that they are very proud of their Bolshevik psychology and their Bolshevik methods. Now, a Bolshevik technically is a member of the Communist Party, which is the ruling, driving force in Soviet Russia today...