

File: Federn

Obit. - not by K.P.
important document

With the passing of Walther Federn the world has lost a citizen. Born in the declining years of the Austro-Hungarian Empire, he became a public figure a decade before the collapse of that Empire. For the next three decades, that is, until the seizure of the rump state of Austria by Hitler, Mr. Federn carried on the activities that warrant the appellation "citizen of the world." It was his habit to designate himself as "Founder and Publisher of Der österreichische Volkswirt" (The Austrian Economist); but he was more than that--including editor, economist and political analyst. Above all, however, he was a fighter for liberal, parliamentary democracy and social reform within the system of private capitalism.

The Vienna in which Mr. Federn began to publish his weekly journal in 1908 was still that city of songs, operettas, Grinzing wine rooms and brilliant balls in the Hofburg or Schönbrunn which remains enshrined in the sentimental hearts of millions. But it was also a city whose slums had been characterized by their best historian as "...only a cover against the grimness of the weather, only a bedstead for the night", so that "Whoever was born in these places or sank into them must degenerate and wither, bodily and mentally, or grow brutal." Furthermore, it was a city in which the death rate from pulmonary tuberculosis was so great that that malady was known throughout Central Europe as "the Vienna sickness."

Mr. Federn knew and enjoyed to the fullest the Vienna of music and art and gay wit, but he likewise knew the slums and the sickness; consequently, he supported with all the power of his brilliant pen the housing and medical welfare programs of the Socialist administrators of Vienna after 1919, as well as the major features of the municipal tax policy that made the achievement of those programs possible. No one

was keener than he in exposing and ridiculing the inconsistencies and fallacies of the reactionaries who libelled the programs with such epithets as "Housing Bolshevism" and "Welfare Inflation."

Throughout Austria's first republican era Mr. Federn was otherwise a thorn in the side of the anti-democratic and corruptionist elements. His amazing knowledge of the details of public and private finance and his rarely equalled ability to analyze balance sheets and budgets earned for him the respect, fear--and sometimes hatred--of those elements. His articles on the "bank scandals" of the middle 'twenties were at once masterpieces of financial analysis and political polemic. Nor did he tire of publishing devastating comparisons between the "clean and correct" Socialist administration of the finances of Vienna and the sloppy, wasteful and dubious activities of the Christian Socials in the provinces. These writings were in the best tradition of a virile and really "free" journalism.

In his own words, ^mFr. Federn was "a politically minded man yet unattached to any political party." Although he supported the chief features of the work of the Socialist leaders in the capital city, he frequently criticized most sharply the ideas and activities of such national leaders as Otto Bauer. At the same time he appreciated fully that most of the ^mdemocrats, with a small "d", in the first republic of Austria ^{were those who} called themselves Social Democrats. With them he opposed every variety of totalitarianism, whatever its color and wherever its geographical origin. He was among the first to realize the import of the machinations of the priest-chancellor, Ignaz Seipel, who, again in Mr. Federn's words, "was the evil genius of the republic" and who "did more than any other man to bring the Heimwehr to surpassing power." This Heimwehr group, the Austrian equivalent of Hitler's Brown Shirts, was generously subsidized by Austrian big business and big finance. Mr. Federn helped to

bring this connection to public notice.

Between the bloody riots of July 15, 1927, and the brief civil war of February, 1934, the editor of the Volkswirt worked zealously to avoid the second of those catastrophes. During the last year of that period, that is, after the elimination of parliament by Dollfuss on a shabby pretext, his efforts were directed in large measure toward securing the restoration of that institution and toward pointing out the unconstitutionality of many of the government's measures. Since some paper was being confiscated every few days because, in the language subsequently used by the editor of the government's mouthpiece, "...it seems more agreeable to some office or other that the state of affairs not become known", Mr. Federn's activities demonstrated a courage only too rare in his or any other country.

After the civil war and the promulgation of the "unconstitutional constitution" of May, 1934, he continued to demonstrate this courage. One of the most conspicuous examples was his publication of an article demonstrating that, far from establishing a "Christian, German, federal state on an occupational-estates basis" as they claimed, Dollfuss and Schuschnigg had established by their constitution "two half totalities": Fascism and Catholicism.

But from this time on Mr. Federn's life-long fight for parliamentary democracy and social reform became progressively more hopeless. Time and again his journal pointed out that the only possibility for successful resistance to the growth of Nazi strength within Austria lay in an honest policy of reconciling the Socialist workers. About this Schuschnigg talked a great deal, but, until eight days before Hitler's troops crossed the German-Austrian border, did so good as nothing. Once more in Mr. Federn's words, "It is an axiom that a doctrine [Fascist totalitarianism]

can be combated by imposing a strictly contrary one, but it can never be defeated by emulation, even though it be in milder form. Chancellor Schuschnigg was ignorant of this elementary fact." Of course, as already indicated, Mr. Federn knew that it was more than ignorance; Schuschnigg was a totalitarian at heart and had openly proclaimed that fact as early as January 31, 1934. These circumstances and the betrayal of Austria by the Western Democracies sealed her fate.

Along with other fortunate Austrian democrats Mr. Federn escaped from the beautiful little country that he loved so much and served so well. Throughout his years of exile in the United States he developed and maintained a keen and lively interest in the functioning of our democracy without losing his interest and hopes for his homeland. Those who knew him will not forget him. Those who did not will find in the Volkswirt a lasting monument to a scholar and a fighter.

Charles A. Gulick
Professor of Economics
University of California, Berkeley.

Faint, mostly illegible text at the top of the page, possibly bleed-through from the reverse side.

Second section of faint, mostly illegible text.

Handwritten rectangular stamp: *Mr. H. H. ...*

Handwritten notes: *Mr. H. H. ...*, *Bob ...*, *...*

Handwritten rectangular stamp: *26*

Handwritten text: *Larkin*

Handwritten text: *Hillman*

Handwritten text: *Beatty*

Handwritten text: *London*

Handwritten text: *Com, London*