Eisenhower's Message . . . . . By William Z. Foster

By WILLIAM Z. FOSTER

THE AMERICAN people are becoming increasingly alarmed at the multiplying signs of a developing economic crisis in the United States and throughout the capitalist world. In his State of the Union message President Eisenhower, attempting to allay these mass fears, declared he would prevent such a crisis. He said his administration is "determined to keep our economy strong and to keep it growing." This he said would be done by—



"Flexible credit and debt management policies; tax measures to stimulate consumer and business spending; suitable lending, guaranteeing, insuring, and grant-in-aid activities, strengthened old age and unemployment insurance measures, improved agricultural programs; public works plans laid out well in advance; enlarged opportunities for trade and investment."

This, in practice is the Keynesian theory of the "managed economy"; the notion that capitalist cyclical economic crises can be averted by government stimulation of production and consumption through Federal appropriations — all the while protecting or increasing capitalist profits. This false Keynesian viewpoint is held not only by the Eisenhower government, but by all major capitalist governments in this period of the deepening general crisis of capitalism.

The Eisenhower anti-depression program will not succeed. Eisenhower's policies are hastening us into economic crisis, and they will continue to do so. For many years past since the end of the war, the government has been "stimulating industry and mass buying power" through enormous appropriations—up to 50 to 60 billion dollars per year, in preparation for an anti-Soviet war. Nevertheless, the economic crisis is steadily developing, as is evidenced by every reliable economic indicator. Economic crisis are in the very nature of the capitalist system, because of its wholesale robbery of the producing masses. Nor can this basic trend towards periodic and increasingly devastating economic crises be averted by make-shift government pump-priming. The liberal Roosevelt government could not cure the 1929-33 crisis by such means, nor can the reactionary Eisenhower Administration thus avert the development of the coming crisis. This is basically because such schemes do not cut into capitalist profits, the fundamental cause of the crisis.

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WHILE THE Eisenhower reactionaries would relish seeing an unemployed army of 6 to 8 millions, in order to use them as a club against the labor movement, they are nevertheless in deadly fear of a repetition of the serious crisis of 1929. A deep crisis now would be on an even worse scale; it might make 20 to 30 million jobless. The reactionaries know that such a great crisis would deal a shattering blow to the sick world capitalist system and they would even go to war to prevent this disaster for themselves. War is the supreme Keynesian means of keeping the industries going on government munitions appropriations.

Wall Street, aiming at world conquest, has not abandoned its outlook for a war against the USSR. This is the only rational interpretation that can be placed upon the government's refusal to ban the atomic bomb, its building of American war bases all over the world, and its stubborn refusal to orientate upon a live-and-let-live, coexistence basis, with the Soviet

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Union. The advent of a serious economic crisis in the United States would undoubtedly greatly increase the danger of a world war.

To meet the growing menace of a deep-going economic crisis, the workers must make a drastic effort to get more of the products of their work in industry into their own hands—through greatly increased wages, by lowered prices, by a substantial shortening of the work-week, by vastly improved system of social insurance, by a broadly expanded educational system, by huge programs of road-building, reforestation, soil conservation, flood control projects, and various types of public works, by removing the tax burden from the workers, and by the opening up of trade with the USSR, Peoples China, and the Peoples Democracies in Europe. Especially the workers must refuse point blank to tolerate mass unemployment.

THE ECONOMIC programs of the AFL and CIO are steps, but only short ones, in this general direction. Above all, there must be no reliance by the workers upon big business' plan of keeping the industries running on war orders; no reliance upon the Wall Street "anti-depression" program of the Eisenhower Administration — for this is the path to economic disaster for the masses of the people. To slash into the profits of the capitalists must be the heart of any program designed really to benefit the workers.

The foregoing outlined measures will ease the pressure upon the working class and its democratic allies in the coming crisis, but they will not cure the crisis itself. Economic crises are inevitable so long as capitalism exists. Only when the people of this country abolish the capitalist system, and therewith capitalist profits, and establish Socialism, will crises be finally done away with and full employment be permanently assured.