

# WAR and UNEMPLOYMENT

- *Capitalism the Cause*
- *Socialism the Solution*

A Socialist Labor Party Statement

1959

NEW YORK LABOR NEWS COMPANY  
61 Cliff St., New York 38, N.Y.

# WAR AND UNEMPLOYMENT

*WHY are we taken again and again to the very brink of a suicidal nuclear war?*

*WHY, in a country where tens of millions are in need of decent housing, and other basic necessities, do we have mass unemployment?*

The two essays in this pamphlet supply lucid answers to these questions, answers that will enable you to understand not only the *cause* of war and unemployment, but also the *cure*. Both are official statements of the Socialist Labor Party and were written especially for publication as paid advertisements in leading newspapers. The essay on war appeared originally as a full-page advertisement in the *New York Times*, March 4, 1958. It bore the caption, "Capitalism Means Catastrophe!" The second on "Unemployment . . . WHY?" was published in the *New York Times*, May 6, 1958. It also appeared in the *Detroit Free Press*, *Los Angeles Times* and *Pittsburgh Press* on the same date. All the advertisements were paid for by contributions from workers, and have been acknowledged in the *WEEKLY PEOPLE*, the official organ of the Socialist Labor Party.

## CAPITALISM MEANS CATASTROPHE

A SPECTER IS HAUNTING ALL MANKIND. It is the specter of annihilation in a thermonuclear war. Every thoughtful, observant person knows that if affairs continue in their

present direction, this will be our fate. Acknowledged authorities have told us that a thermonuclear war would not only exterminate hundreds of millions of human beings, but would also destroy civilization and render large areas of the world uninhabitable to man. Many believe it might completely depopulate the planet Earth. In any case, it should be plain to any sensible person that the crucial problem of our times—the object that is absolutely paramount and to which all else must be subordinate—is the removal of the cause which fatedly is leading to World War III.

The extreme gravity of the problem demands that we divest ourselves of every prejudice and worn-out idea that obstructs our thinking. If it were some fatal disease that threatened us, there is no doubt about what we would do. We would seek out the *cause*. And when we found the cause we would destroy it. Why should we be less sensible in dealing with the monstrously terrible scourge of war? Why should we not determine the *cause of war*—then bend all our efforts to the task of uprooting it?

By “we” is meant the great mass of the American people, and especially the people who perform the mental and manual labors of society, the working class. For, as we shall demonstrate with fact and logic, the ruling classes of all nations, East and West, are morally and intellectually bankrupt. Their “policies,” the policies that have brought the world to the very brink of catastrophe, are dictated, not by principles of justice and freedom as they pretend, nor by concern for humanity, but by their own class, material and imperialist interests.

This statement on the cause of war and what we must do to end war is a challenge to every individual concerned with the salvation of the human race. In it the Socialist Labor Party brings to this question the key of *genuine* Socialism and 68 years of profound and searching study.

## THE ECONOMIC SEEDS OF WAR

PEOPLE IN EVERY COUNTRY are always told by their rulers

that the wars they are called upon to fight are for good and noble ends. This is necessary because otherwise the people would never submit to the horror and misery of war. Only when they are convinced that the cause is just will they suffer the terrible sacrifices war entails. Thus, the people are rallied with slogans such as "a war to make the world safe for democracy" and "a war to end war."

These were the slogans with which the American people were rallied to fight World War I—and everyone knows today that that war did not make the world safe for democracy, nor did it end war. The real issues of World War I had nothing to do with democracy or any other abstract principle. The real issues, plainly and simply, were issues growing out of economic competition.

On this point we have the testimony of no less an authority than our President in World War I, Woodrow Wilson. Speaking in St. Louis, Missouri, September 5, 1919, Mr. Wilson said:

"Why my fellow citizens, is there any man here, or any woman—let me say, is there any child here—who does not know that the seed of war in the modern world is industrial and commercial rivalry? . . . This war, in its inception, was a commercial and industrial war. It was not a political war . . . The seed of the jealousy, the seed of the deep-seated hatred, was hot, successful commercial and industrial rivalry."

Economic competition, the struggle between rival ruling classes for world markets and sources of raw materials, is the fundamental cause of war. Whatever the diplomatic excuse, every conflict in modern times has had its origin in some question of trade, property and profit.

Some will say: "This may be true of the first world war, and even of the second. But the situation today is different."

No, it is *not* different! World War I and World War II came because the economically aggressive German capitalist class was grabbing markets that the capitalists of Britain, France and the United States had staked out for

In short, foreign markets are to capitalism what a safety economic paralysis.

workers' products pile up in the warehouses and brings on and to run the political State. But a substantial portion of the summed by the capitalists in prodigal living, to expand industry, (c) A part of what the workers cannot buy back is consumed of their product;

(b) The workers of brain and brawn, who produce all social values, receive in wages only enough to buy back a fraction sell with a view to profit;

(a) Goods are produced, not to satisfy human needs, but to "must" for the following reasons: Under capitalism—

the exploitation of wage labor are a *must*. They are a pose of the surplus commodities that pile up as a result of. Because, for capitalism, foreign markets in which to dis- would mean the certain collapse of the capitalist system. The answer is that the loss of vast economic territories issues as oil concessions and markets?

But the key question still remains: Why should a rich country like the United States risk a suicidal war over such

*for economic mastery of the world.*  
*raw materials of Asia, Africa and South America—in short,*  
*for the riches of Middle East oil, and for the markets and*  
*perilous super-powers are locked in a desperate struggle*  
*brink of war today because the ruling classes of two im-*  
*To put it bluntly, the world trembles perilously on the*  
 credits at 2 per cent interest!

ist weapons such as trade agreements, economic aid, and with arms, or even by subversion, but with typical capital-over Egypt and Syria (the United Arab Republic), not will win over other countries as they have apparently won sian *economic* aggression. They are afraid the Russians classes of the West fear; what the capitalists fear is Rus- it is not Russian *military* aggression that the capitalist Superficial evidence to the contrary notwithstanding, Russia is on a similar economic offensive.

themselves. Today the bureaucratic ruling class of Soviet

valve is to a steam boiler. Without a safety valve, sooner or later the boiler explodes. Without vast foreign markets, capitalism bogs down in a crisis of "overproduction" with the resulting mass unemployment.

To say that capitalism breeds war is not to say that capitalists are bloodthirsty persons who *want* war. Except for a few mad advocates of "preventive war," capitalists are as horrified as anyone else over the prospects of a thermonuclear holocaust. Nevertheless, the capitalist class is driven by the economic compulsions inherent in its system to adopt policies fatedly leading to war. In 1941, a conference of members of the Church of England, meeting at Malvern and presided over by the Archbishop of York, issued a statement putting it this way:

"The system [capitalism] under which we have lived has been a predisposing cause of war even though those who direct and profit by it have desired peace,"

Today, the danger of war is all the greater because arms spending on a massive scale is now a vital prop to the economy. Indeed, it may be said that by its imperialist ventures Soviet Russia is helping to keep the capitalist system going. For there is no doubt whatever that without the huge and wasteful arms program capitalism would collapse like a house of cards. Only a few weeks ago, an American diplomat stated that if there were disarmament and the U.S. stopped its military expenditures abroad—and "if our trade with other countries could not be increased to take up the slack of these military dollars, there would be the biggest bust in the world."\*

The logic of the situation is plain. The cause of war is inherent in capitalism. It follows, therefore, that to end war we must abolish the capitalist system. To prolong capitalism in this age of missiles and nuclear weapons is to invite catastrophe.

---

\* Mrs. Clare Boothe Luce, former U.S. Ambassador to Italy, in an address in New York, N.Y., December 10, 1957.

## SOCIALISM MEANS SURVIVAL . . .

SOCIALISM IS LITERALLY THE HOPE OF HUMANITY! It is the only way of ending the international competition that leads to war. Socialism will replace competition with cooperation—the only sound foundation on which to build real and enduring peace.

Many will question this because, as a result of capitalist propaganda—and of the "Socialist" pretensions of Soviet Russia—they have a totally false picture of what Socialism is. They imagine that Socialism means "government ownership," and that it makes the bureaucrat and politician the boss. This is a false picture. Indeed, if government ownership were Socialism, the U.S. Post Office would be a Socialist institution!

But government ownership of the Post Office isn't Socialism. All it gave them was a change of masters—the bureaucrat for the capitalist.

Similarly in Soviet Russia. In Russia, the State owns all the means of social production—and the bosses of the Communist party control the State. The Russian workers are wage slaves and have no more to say about the economic policies to which they have to submit than do the employees of capitalist-ruled U.S. corporations.

One thing more about the Russian system: The bureaucratic despots of the Kremlin call themselves "Marxists"—and this has given the capitalist rulers of our country a chance to point to Soviet despotism as a supposed example of "Marxism." The truth is that the Russian despots have, in the name of Karl Marx, violated every principle Marx stood for!

Socialism, *bona fide* Socialism, is the hope of humanity! Socialism will not only end the economic rivalry that leads to war; it will also end the recurring economic crises that

convulse capitalist society. In these crises we witness the absurdity of mass suffering, not as a result of shortages of food and clothing and other commodities, but because of "overproduction." We have produced "too much"—not too much to *use* (there are still tens of millions of Americans who are ill-fed, ill-clad and ill-housed), but too much to *sell*.

*Socialism will end this terrible absurdity by revolutionizing the purpose of production—by replacing production for sale with the principle of production for use.*

How will Socialism accomplish this? By outlawing capitalist ownership of the socially operated industries, by making the means of social production and distribution the property of society. As long as the land and industries are privately owned, they will inevitably be operated for private profit, and society will pay the awful price of depression and war. But, when they are owned collectively by all the people, the people can administer them democratically through a new form of government—the industrial representative government as advocated by the Socialist Labor Party—to produce an abundance to satisfy the needs of all. The *cause* of depression and war having been eliminated, we will be able to direct our attention to the practical problem of producing an abundance that we all may share, and of expanding the frontiers of science and culture; in short, of fulfilling man's age-old dream of peace, plenty and human brotherhood.

It is completely in harmony with America's traditions and principles for society thus to assert its supremacy over property. "Private property," declared Benjamin Franklin, one of the wisest of this nation's founders, "... is a Creature of Society and is subject to the calls of that Society, whenever its Necessities shall require it, even to its last farthing."

Moreover, we have already twice in our history abolished forms of property in the interest of social progress—once when we sequestered the property of the British



Crown, and again when we outlawed property in human beings nearly a century ago.

Society's next step forward requires that capitalist ownership follow chattel slavery into the ashbin of history. This revolutionary transformation can be accomplished peacefully in America, thanks to the foresight of the Founding Fathers who incorporated in the United States Constitution a clause—Article V, the amendment clause—which recognizes the mutability of social institutions. For Article V, implemented by our ballot, makes possible the abolition of capitalist ownership by a democratic decision at the polls.

However, it is of crucial importance that the workers be prepared to enforce a mandate for Socialism with an adequate economic power. They must, therefore, scrap their present pro-capitalist unions and organize a Socialist Industrial Union, a power capable of backing up the Socialist ballot by taking, holding and administering all the means of social production.

Under Socialism there will be no political State, and no political parties either. The new government will rise on the foundation of industrial constituencies. Through their Socialist Industrial Unions the workers will have a democratic mastery of their tools and products—the indispensable condition of freedom in an industrial age.

\*

There can be no peace without Socialism. He who works for Socialism, therefore, truly works for peace. In the words of America's foremost Marxist, Daniel De Leon:

*"... while the bourgeois declaim Peace, yet manufacture War; while clericalists pray with lip-service devotion for human brotherhood, yet bless the weapons of fratricidal strife . . . ;—while, in short, at one side of the line, Hypocrisy reigns supreme, Slaughter being promoted under the pretenses of Peace, it is on the other side of the line, in the Socialist camp only, that Peace is a cardinal principle,*

*a religion, a goal earnestly, sincerely and devoutly pursued with all the intelligence at the command of the race."*

## UNEMPLOYMENT . . . WHY?

JOBLESS! WILLING AND ABLE TO WORK, a family to feed and shelter—but no work! Such is the tragic plight of millions of Americans today in a land of plenty. Why? What is wrong? The workers of America need a clear and candid answer to this question. Instead, they are being fed massive doses of optimism about this being just a temporary 'recession'—a kind of economic coffee break between booms. But optimism doesn't provide food or shelter, nor does it explain the cause of the economic crisis that is spreading like a blight across America.

Why have the vaunted 'built-in stabilizers' failed to stabilize? Why was production curtailed? Why were factories closed when millions of workers and their families were ill-fed, ill-clad, ill-housed? In the statement that follows, the Socialist Labor Party (founded in 1890) answers these questions forthrightly, with a proper respect for the facts. It is imperative that everyone give serious consideration to this analysis—and to the Socialist Labor Party's program for bringing to birth a world of freedom, security and plenty for all.

### PERIODIC DEPRESSIONS INHERENT IN CAPITALISM!

CAPITALISM'S LATEST DEPRESSION is following a familiar pattern. It is a crisis of 'overproduction.' The nation's granaries and warehouses are filled to overflowing. Hard times are here for the workers *because they produced too much!* Once again we are suffering the madness of mass privation in the midst of plenty.

When we say 'too much' we mean too much to *sell*, not too much to *use*. It is a notorious fact that tens of millions of Americans have basic needs that are unsatisfied. But under capitalism things are not produced to satisfy human

needs; they are produced to be sold at a profit. When the capitalists cannot sell what the workers have produced, surpluses pile up, production is curtailed, factories close, and unemployment spreads.

This is the situation today. Think of it! For the past 18 years we have witnessed a record-breaking production of wealth which created an illusion of general security. But the fact is these boom years have brought no real security to the workers who produced this wealth. Capitalist employers still have the power of economic life and death over their employees. And it takes only a few weeks or months of unemployment to wipe out any 'gains' from years of employment. In Detroit alone 45 families a day are losing their homes. Cars and furniture are being repossessed at a rising tempo. Even the highly touted 'fringe benefits' — pensions, insurance, hospitalization — are down the drain. And the frustrated worker is as poor as he was years earlier. Only now he is worse off—he is older, and the boom is over.

All this is the inevitable consequence of capitalism—of a system in which the capitalists, a numerically small class, own the factories, mines, railroads, and land, etc., in short, all the means of social production, while the overwhelming majority, the working class, owns nothing except its labor power.

*Let us emphasize right here that by 'workers' we mean teachers as well as truck drivers, scientists as well as stevedores—indeed, all who perform the mental and manual labors of society.*

The capitalists can't stop depressions—any more than they can stop earthquakes or hurricanes. Their so-called 'built-in stabilizers' are wholly inadequate for coping with the central contradiction in their system.

Consider this central contradiction: A study of the history of wages shows that, while wages rise in good times and fall in bad ones, in the long run and on the average

the workers get what is loosely called 'a living wage.'

As a consequence, the workers can buy back only a fraction of their product. The rest—the difference between what workers produce and what their wages (or 'salaries') will buy—must be either consumed by the capitalists, wasted, used in expanding industry, or exported abroad.

Now, such is the tremendous productivity of the American workers that, despite the extravagances of the capitalists, despite the enormous wastefulness of their system, despite the greatest capital-expansion binge in history, and despite record exports and the billions spent in foreign economic aid — despite all this, huge surpluses have accumulated.

Moreover, each new advance in labor-displacing technology further widens the gap between what the workers produce and what their wages will buy, thus hastening the onset of economic crisis and deepening its intensity.

Defenders of capitalism say 'automation *makes jobs.*' In boom-times the illusion prevails that it does. But when the cutbacks come, and production is concentrated in highly automated plants, the cruel and devastating effects of automation on workers' jobs become apparent.

These are the grim realities of capitalism. And all that the capitalists and their politicians can do about them is (a) increase and extend unemployment benefits, (b) give some of the unemployed jobs on public works, (c) let the main body of the unemployed vegetate on relief.

Let us speak plainly. Capitalist handouts, whatever their form, are degrading. The jobless worker stands in line for long hours to demean himself before some bureaucrat in order to qualify for a 'dole.' He feels this degradation keenly. If he exhausts his unemployment compensation and goes on relief the humiliation to which he is subjected is many times worse. His private affairs are pried into. He and his family are regimented in a kind of purgatory of poverty that erodes his manhood.

The effect of social reforms at this stage of capitalist

decay is to weaken the moral fiber of the workers and to inure them to living on degrading handouts.

Reforms cannot solve the problem. The New Deal adopted the most elaborate social reform program in history. But, when capitalism 'recovered,' it was not as a result of reforms but of *WAR!*

President Roosevelt tacitly attested to the failure of reform when, in his State of the Union Message, January 4, 1940, he said: *'We cannot report . . . that all the problems are solved. The fact of unemployment of millions of men and women remains a symptom of a number of difficulties in our economic system not yet adjusted . . . we have not yet found a way to employ the surplus of our labor which the efficiency of our industrial processes has created . . .'*

The case is proved. Capitalism is the cause of mass unemployment. Recurring depression is inherent in the capitalist system. In its present advanced state of decay capitalism's only way of overcoming depression is by the massive destruction of surpluses in war. The interests of the overwhelming majority dictate therefore that capitalism be consigned to the ashbin of history, and that it be replaced by a social system capable of guaranteeing security for all.

## SOCIALISM THE SOLUTION

IN AMERICA WE HAVE EVERYTHING it takes to make our country a veritable paradise. That is a fact no one can dispute. We have an abundance of skilled, technical and scientific labor. We have the tools. We have the raw materials. In short, we have the *physical* means with which to produce abundance for all. All that stands in the way is (a) the outmoded system of private ownership of industry and (b) the workers' failure to see themselves for what they are under this system—namely, *wage slaves*, enslaved as a *class* to the capitalists as a *class*.

Under *bona fide* Socialism, there will be neither capitalist nor bureaucrats. The present corruption-ridden political State will be replaced by a democratic economic administration based on representation from industrial units. Workers will vote where they work. They will elect foremen, plant management committees and representatives to all higher administrative councils. On the national level, to administer and direct over-all social production, there will be an Industrial Union Congress representing all the trades and industries of the land. This new Congress will be under the constant control of the workers and will be at all times fully responsive to the wishes of the majority.

The Socialism we describe here is *bona fide* Socialism, Great Britain, it is as capitalist as capitalist America. bureaucratic despotism masquerading as Socialism. As for truth is that there is no Socialism in Russia. Russia has a workers think of Russia, or even of Great Britain. The tunately, when the word 'Socialism' is mentioned, many the Socialism of Karl Marx and Daniel De Leon. Unfortunately, the Socialism here is *bona fide* Socialism.

Nor could there be depressions under Socialism. Production for use, combined with a system under which each worker receives, directly and indirectly, all that he produces, would end forever the social idiocy of want in the midst of plenty.

Instead of kicking workers out of jobs, automation would shorten the work day, work week and work year, and at the same time vastly increase material well-being. Technological progress would no longer be something for us workers to fear, but an unqualified blessing that would insure abundance and leisure for all to enjoy.

The solution to the problem of unemployment is not a complicated one. If, instead of being owned privately and operated to produce things for sale and profit, the industries were owned socially (i.e., collectively by all the people), and operated to produce things for use, there could be no such thing as involuntary idleness.

because the decisive power—the economic power—will be firmly in the hands of the rank and file.

Fellow workers: We can end this nightmare of capitalism by organizing to build Socialism. Start by repudiating the politicians who only delude you with promises of 'relief.' Rally instead under the banner of the organization that represents your class interests—the Socialist Labor Party.

In America we can achieve Socialism peacefully. Thanks to the foresight of the Founding Fathers, who put a clause in the Constitution—Article V, the amendment clause—providing for social change, we can outlaw capitalist ownership by a democratic decision at the polls.

But we must make certain that our democratic decision for Socialism will be obeyed by the outvoted capitalist class. For that purpose we need an irresistible, yet non-violent force. To muster such a force we must consolidate our economic might in one all-embracing Socialist Industrial Union, a union capable of suppressing possible capitalist defiance of the people's will, and of taking possession of the industries in the name of society.

The Socialist Industrial Union Administration is an entirely new plan of government. Through it, the workers, organized in the factories, mines, stores, farms, schools, hospitals, transport services, etc., will exercise and enjoy the most complete democracy man has ever achieved.

Men and women of America, heed this: Mankind is literally in a race with catastrophe. Depression, mass misery, the alarming rise in juvenile delinquency, mental illness, corruption, the terrible danger of annihilation in a nuclear war—all these are signs of social decay and disintegration. They are the warnings history is giving us to demolish the social structure that imperils our existence, and to build a new society consonant with freedom and democracy in the atomic and space age.

Join with us in the great cause of human liberation—and to save civilization from catastrophe!

# SOCIALIST INDUSTRIAL UNIONISM

## The Workers' Power

By Eric Hass

The goal of Socialism can be achieved only by obeying the logic of the class struggle. Socialist Industrial Unionism provides the American workers with the one logical method of obtaining its emancipation from capitalism's wage slavery. This pamphlet outlines the method.

Price 10 cents, postpaid—64 pages.

NEW YORK LABOR NEWS COMPANY  
61 Cliff St., New York 38, N.Y.

---

# WEEKLY PEOPLE

OFFICIAL ORGAN OF THE SOCIALIST LABOR PARTY

Read the WEEKLY PEOPLE, official organ of the Socialist Labor Party, a paper of Revolutionary Socialism and Industrial Unionism. Rates: \$2 a year; \$1, six months; 50c., three months.

WEEKLY PEOPLE  
61 Cliff St., New York 38, N.Y.

---

SOCIALIST LABOR PARTY, 61 Cliff St., New York 38, N.Y.

I am interested in Socialism. Please send me information and free literature published by the Socialist Labor Party, including sample copy of the WEEKLY PEOPLE, official organ of the Socialist Labor Party.

Name [Please print] .....

Address .....

(W and U) (May be pasted on back of postcard)

(Printed in the United States of America.)