ECONOMIC NOTES

THE FOURTH REUTHER PLAN

Walter P. Reuther, president of the United Automobile Workers (CIO) is quite fond of making plans by which capitalism can continue to operate without the disturbing features of wars and depressions. He is rapidly pushing to the fore as one of capitalism's No. 1 troubleshooters, a sort of bell-wether of the pitfalls besetting the capitalist system. He expressed it very well himself in the 1945 General Motors strike when he stated that "The fight of the General Motors workers is a fight to save truly free enterprise from death at the hands of its self-appointed champions."* The implication is clear. Mr. Reuther considers himself a better-qualified champion.

No doubt Mr. Reuther's previous mis-education in that consistent party of capitalist reform, the Socialist Party of America, has helped develop his qualifications for the role of "Saviour of Free Enterprise."

It is true that certain elements of the capitalist class deplore Reuther for what they call his "socialist leanings." We will merely pass this off by pointing out that these backward capitalists of an advanced capitalism — who also foolishly called the late President Roosevelt "communist" — are not yet aware of Reuther's services on behalf of their own economic system. Or perhaps they resent his intrusion into their privacy, and his tactics as a "usurper." Other elements of the capitalist class represented in the Truman Administration are not so dense when it comes to understanding Reuther's merit to their cause. Immediately after the beginning of the Korean "police action," Walter Reuther, along with other labor leaders was summoned to Washington for one purpose: how to mobilize — and sterilize — the workers of this country behind the struggle against Russian imperialism. Truman, and those behind him, know that labor cannot very well be held in line without the whiphand the labor leaders hold over the unions, and that a striking, non-peaceful, and disagreeable working class would do much to scuttle the all-out drive of American imperialism to maintain its economic position throughout Asia and the Near East.

International Anti-Communism

Reuther's campaign against the "Communists" in the United Auto Workers, however, met with the support of the entire capitalist class. Newspapers, like the ultra-ultra conservative **Detroit News** hailed his holy war against the Reds and applauded him for his labor statesmanship (?).

Now flushed by the success of his virtual (but by no means complete) elimination of the Communist Party influence from the UAW, Reuther is going after international honors. How to Fight Communism Throughout the World and Keep the Peace of capitalist exploitation — this is the precise essence of the Fourth Reuther Plan.**

Thus far, Mr. Reuther has enjoyed a success of only one out of three in his Plans, and he hopes by this most recent one to bring his average up to at least 50%, as the boys in the shops say, a .500 batting average.

Plan I was a scheme propounded in 1940 whereby automobile plants could be converted to mass plane production. Poo-poohed at first, but eventually taken over in its more feasible aspects, it proved to all and sundry that Reuther was not a mean, little anti-capitalist devil, but a great patriot, seriously and vitally concerned with maintaining America's domination of world capitalism.

The purpose of Plan II following World War II was to convert idle aircraft plants to produce 20 million pre-fabricated homes within 10 years. If the need arose, these plants, he pointed out, could be reconverted back to plane production. This plan was never put into effect.

Finally, Reuther issued another Plan, this time to have the government build steel plants where private industry refused to expand its capacity. Of course, these plants would operate under conditions of capitalist exploitation, in that government bondholders would receive surplus value produced by the workers in the form of interest on government bonds, instead of dividends from private investments.

Total Peace Offensive

Now let us glance at Plan IV.

Reuther's thesis is very simple. Since 1945 the number of people under Communist domination has increased from 180 million to more than 800 million. To meet this growing challenge it is not enough to fight Communist aggression on the battlefields; we must fight it on the front of improving the standard of livings of people throughout areas where communist propaganda is making headway. Communism, Reuther continues, feeds on the misery and poverty and disease of the people. By filling their bellies, educating their minds, housing their families, and so forth, we will defeat the Kremlin and expose its "exploitation and enslavement of people under its control."***

Specifically, this "Total Peace Offensive" would mean that the U. S. would contribute $13 billion a year for the next 100 years or $1,300 billion in all to a United Nations Fund for Peace and Economic and Social Construction. Aid from this fund would be made available to all nations subject to the condition that they hold a conference to achieve total disarmament, universal inspection, and creation of an international police force. The contradiction between total disarmament and an international police force is a striking one.

Easily Financed

Is sufficient manpower and finances available for this project? Unhesitatingly, Mr. Reuther answers in the affirmative. By adding another 6 million people to the labor force, this country could produce $27 billion a year more in national output, or more than this $13 billion and Truman's $10½ billion for military purposes. (This latter figure has now been upped to $25 and $30 billion, Mr. Reuther — KF). Also, there is a normal increase of $9 to $10 billion a year in national production. And as much an advocate of shorter hours as he is, Mr. Reuther even provides an extra $3 billion annually by use of overtime work. In brief, Reuther is proposing his own Point 4,**** aid to the backward countries, as a means of halting communist aggression . Before delving into the social aspects of this grandiose scheme of Mr. Reuther's, let us take a cold, hard glance at the economic realities of the matter. Indeed, in all of his peacetime planning, Reuther, like his counterparts in the British

*"Walter Reuther", **American Labor Leaders** (1950), Charles Madison, p. 394.

Altho Reuther no doubt refers throughout to the Stalinists and other supporters of Russian state capitalism, in speaking of "Communists," his failure to make this distinction clear will do much towards whipping up hysteria against organizations such as ours, the World Socialist Party, because of the workers' inability to distinguish between "Communism," the Communist Party and the **socialist movement.

***"Reuther Answers Questions on Total Peace Offensive," **United Automobile Worker**, August 1950, p. 3.

****For discussion of Truman's Point 4, see **The Western Socialist**, Nos. 147-149 (1949).