

Eccles Sees Red Shadow Crowding Out Democracy



Eccles

Foreign Policy Has Maximum Of Errors, 600 Students Told

By John M. Rosson

Marriner S. Eccles, U.S. Federal Reserve Board official, told over 600 University students Wednesday that "since the end of World War II, from which the United States emerged as the greatest world power both morally and physically, Russia has communism on the rise and democracy is declining.

"We do not have the economic strength to hold Russia within a certain area and cannot provide military and economic aid to all those countries outside of U.S.S.R.," Eccles said.

To stem the tide of communism, "You must go to the source, Russia, and deal with them, and the United Nations must be made to function or be dissolved."

Kremlin Shadow Everywhere

"Today the U.N. is only a myth. Every place we look, we see the shadow of the Kremlin," he continued.

Eccles Sees Red

In recounting the economic, political, and financial conditions of the country during the past 50 years, Eccles said, "My generation has made a pretty sorry mess of things in general. I am sure that the present generation can do no worse than mine has done."

He explained that the "mess" resulted from "the lack of U.S. participation in the League of Nations and those who did join, did little to make it work any more than the objectives of the U.N. are likely to make it work again." (Speaking on the possible success of the U.N.)

Wars Taught Nothing

Eccles' reason for such a conclusion was explained when he said, "We have learned literally nothing from our experiences with inflation, deflation, and the two world wars.

"Forty million Japs are an economic burden to the United States today because Russia was permitted to cut off their source of food and raw materials in Formosa and the Orient in general," he said.

"If you could divert to human need what we are giving in aid and wasting in defenses, we would be faced with a challenge for a means of distributing all that this country could produce for its people. I say wasting because in a world of peace, we would not be spending for defenses.

"We are not planning our national economy any more intelligently than we are our international affairs even though we have behind us the experiences of 1917 and 1929.

Foreign Policy Wrong

"At the end of World War II, we had the backing and physical power to win the peace. Our foreign policy in my opinion could not have made more mistakes than they have. Russia has communism on the rise, and democracy is declining.

"We today are facing a military preparedness program and aiding program utterly without a terminal point in regard to effort and money.