

BETRAYING CHINA

Why Mr. Nixon Must Not Go To Peking

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■ To Chiang Kai-shek, America's steadfast Christian ally, the last few months must seem like summer reruns of an all too familiar nightmare. Once again the chorus of "Old China Hands" — men like John Stewart Service, John Paton Davies, and John K. Fairbank — has returned to the stage in Washington to sing the praises of the tyrant Mao Tse-tung, undeniably the greatest mass murderer in human history. And once again Mao's American press agents — men like Edgar Snow and Mark Gayn — are filling pages of the mass-circulation magazines and newspapers with columns of praise for Mao's "workers' and peasants' paradise."

Yes, and once again at the very highest levels of the American Government our leaders are working to sell Chiang down the Yangtze for a mess of potted rice.

There had been a twenty-year moratorium during which the "Liberal" Establishment worked to rehabilitate the reputations of men like Service, Davies, Fairbank, Snow, and the other Maoist promoters, expecting that in time the Ameri-

can public would forget about their part in the sellout of mainland China to the Communists, and about the butchering of American prisoners in Korea, and about the 63 millions of Chinese murdered by Mao's political cadres. Now, midst the greatest hoopla since P.T. Barnum paraded about with "Petunia, The World's Largest Pachyderm," yet another act in the China tragedy is being staged.

Before we preview coming attractions, however, it is well to review the plot and subplots of earlier acts.

One must remember that as far back as 1913, Nicolai Lenin was theorizing that a revolution in Russia would soon be followed by another in China. It became a Communist cliché that "The road to Paris is through Peking." By 1923, Lenin had sent two agents to act as advisors to Dr. Sun Yat-sen, who was then working to unify a divided China. One of these agents, Michael Borodin, guided Sun Yat-sen in political affairs, while Soviet General Vasili Bluecher provided advice on military matters. Dr. Sun was predisposed to accept their advice since he was a friend and admirer of Lenin, a devotee of the economic philosophies of Karl Marx, and a recipient of several million dollars in loans from the fledgling Soviet Union. He even dispatched his most trusted associate, Chiang Kai-shek, to Moscow to study the Soviet system in action.

But a funny thing happened on the way to the Komintern. Someone sent Dr. Sun a book called *The Social Interpretation Of History*, by a New York dentist named Maurice William. Born in Russia, Dr. William had grown to manhood in a family of revolutionaries, and by 1900

was himself a charter member of the Socialist Party. But intimate association with the Socialist hierarchy led him to the conclusion that such radicals are escapists and frauds. He broke with the Socialist Party and set down his reasons in this book, which he completed between dental appointments, published privately, and distributed without charge among his friends. Someone, his name unknown because it was lost with the mailing wrapper, sent a copy of that book to Sun Yat-sen.

While Dr. William's little book never made the best-seller list of the *New York Times*, it had a profound effect on the history of the world. Although he was rapidly dying of cancer, Dr. Sun Yat-sen read and reread William's book. Within months he had repudiated the Communists and was working to establish a Republic like that outlined by our own Founding Fathers in the Constitution of the United States. The angry Communists began to make serious trouble in the Kuomintang, Dr. Sun's political organization, and soon instigated civil war. By 1927, Sun's successor, Chiang Kai-shek, had purged the Communists from the Kuomintang. And by 1931 he had driven them to the caves above Yen-an, from which they maintained an enfeebled guerrilla operation.

Then came the Japanese conquest of Manchuria. Stalin was frantic that Japan, Russia's traditional enemy, might attack Russia through Siberia. Since Chiang Kai-shek was fighting Japan, Josef Stalin suddenly announced support of Chiang. The Communist guerrillas in northern China were not disbanded, however, but were ordered to adopt a low profile; defend Communist-controlled areas against the Japanese; and, maintain an armed truce *vis-à-vis* the National Government. The overt connection of the Red Chinese with the Soviets was terminated, and the "Party Line" in the United States was manipulated to call for support of the Nationalist (Kuomintang) Government. The *Daily*

Worker acclaimed Generalissimo and Madame Chiang Kai-shek as "leaders in the fight for peace and democracy," and the Soviets urged the United States to furnish arms and money for the Chinese fight against imperialist Japan.

At the same time, Stalin began to do what he could to encourage a Japanese strike toward the west, toward America, rather than north at Soviet Siberia. U.S. Ambassador to Moscow William C. Bullitt notified Secretary of State Cordell Hull:

*It is . . . the heartiest hope of the Soviet Government that the United States will become involved in war with Japan . . . To think of the Soviet Union as a possible ally of the United States in case of war with Japan is to allow the wish to be father of the thought. The Soviet Union would certainly attempt to avoid becoming an ally until Japan had been thoroughly defeated and would then merely use the opportunity to acquire Manchuria and Sovietize China.**

Bullitt's crystal ball was not beclouded. Largely through the success of the Communists' Sorge Spy Ring, which was then working at the highest levels of Japan's Government, the Japanese were maneuvered to attack America instead of Russia, their traditional enemy.† Japanese militarists were spurred in that course by an American-British-Dutch embargo of oil for Japan, which was largely the work of a Soviet spy in the U.S. Treasury Department named Harry Dexter White.

During the first six months of the War the Japanese swept us from the Pacific.

*Department of State, *Foreign Relations of the United States, The Soviet Union, 1933-1939*, Page 227, U.S. Government Printing Office.

†See General Charles Willoughby's *Shanghai Conspiracy* for the amazing story of the Sorge Spy Ring (Western Islands, Boston, 1965). Willoughby was General MacArthur's chief of intelligence from 1941 to 1951.

With America on the ropes, Japan overreached her military capabilities and fell short of her mark because 3 million Japanese troops were pinned down by the forces of Chiang Kai-shek. Chiang could have saved his country from the further ravage of war by accepting a Japanese offer of peace on very generous terms. But Chiang Kai-shek and the Wellesley-educated Madame Chiang refused to turn their backs on America.

Meanwhile the war in Europe to save Russia was given precedence over the war against Japan — which, after all, had precipitated our entry by attacking us at Pearl Harbor.* But at the same time the United States was doing everything possible to save Josef Stalin, the Soviets reaffirmed their peace treaty with Japan. Throughout the War, Stalin denied the United States air bases in Siberia from which we could have begun bombing the Japanese home islands in early 1942. Instead, America's soldiers and Marines were forced to fight one bloody battle after another for a long series of godforsaken islands — until in 1944 we finally captured Okinawa, a base close enough to Japan to permit strikes from the air. While tens of thousands of our planes and tanks, badly needed by our own men, were being sent to the Soviets, scores of thousands of American boys died on the coral reefs of the Pacific because Stalin refused us use of Siberian bases for attacks from the air against Japan.

And by 1943 the bloom was off the bamboo as far as Stalin's support of Chiang was concerned. It was now obvious that the tides of war were running

against the Axis, and the Kremlin began to plan for post-War conquest. The Communist "line" was now that Chiang Kai-shek, formerly a builder of "peace and democracy," had become a "corrupt Fascist reactionary oppressing the people of China."

Now, also, the Politburo formally directed that the Chinese Reds were not to be viewed as Communists, but as "reformers" or "democratic idealists" or "native revolutionaries in the American tradition." Louis Budenz, editor of the *Daily Worker* and member of the National Committee of the Communist Party when he broke with the Communists in 1945, testified before the Senate Committee on the Judiciary that Stalin gave orders that to "achieve the moral disarmament of America so that it would permit the Red conquest of China" the Communist Party and its Press were to "bring about the idea that the Chinese Communists were not Communists at all; that they were merely agrarian reformers." It was to be stressed, falsely, that Mao and his followers had no connection with the Russian Communists and that Chiang should take the local "reformers" into his Government. Mao was to be presented as a sort of Chinese George Washington who liked rice and smiled a lot.

The Communists knew that the decisive war for China would be fought after the Japanese were evicted. Most of their efforts were spent gathering strength and jockeying for position in anticipation of the defeat of Japan. They did not even bother to deny that this was their strategy. Mao put it this way: "Our determined policy is 70 percent self-development, 20 percent compromise, and 10 percent fight the Japanese."† But of course Mao Tse-tung's press agents in our government quite naturally avoided questioning that policy in the presence of their idol.

During 1942, apparently at the suggestion of General George C. Marshall, President Roosevelt appointed General

*Germany was dragged into the War against us by virtue of her treaty with Japan. Hitler had not wanted war with America since he was already overextended with a two-front war in Europe and commitments in Africa. A strike by Japan against Russia would have made sense; war against the United States made sense only from the viewpoint of Josef Stalin.

†*The Strategy And Tactics Of World Communism*, Supplement III, Communism In China, Page 24.

"Vinegar Joe" Stilwell to serve under Chiang and command American forces in China. From the viewpoint of the Communists that appointment was ideal. While Stilwell hated Chiang with a passion approaching dementia, he greatly admired the Communists. Among Whitaker Chambers' famous Pumpkin Papers was a Stilwell intelligence report revealing that even in the Thirties he was already strongly prejudiced against the Chinese Nationalists and favored the Communists. While a U.S. military attaché in Hankow during 1938, then-Colonel Stilwell had formed many of his ideas about Chinese politics amid a coterie of Communists led by Soviet espionage agent Agnes Smedley. Stilwell's attitude is betrayed in a letter to a friend in which he declared: "It makes me itch to throw down my shovel and get over there and shoulder a rifle with Chu Teh." That fellow Chu Teh with whom Stilwell was so anxious to "shoulder a rifle" was then the commander-in-chief of the Communist armies in China. He later commanded the Communist Chinese armies in Korea. Writing in his diary (*Stilwell Papers*, Page 317), Vinegar Joe declared:

Chiang Kai-shek is confronted with an idea, and that defeats him. He is bewildered by the spread of Communist influence. He can't see that the mass of Chinese people welcome the Reds as being the only visible hope of relief from crushing taxation, the abuses of the army and Tai Li's Gestapo. Under Chiang Kai-shek they now begin to see what they may expect. Greed, corruption, favoritism, more taxes, a ruined currency, terrible waste of life, callous disregard of the rights of men.

One can see how incredibly pro-Communist Stilwell was by comparing the productive, free life on Formosa today under Chiang with the regimented

hell on the mainland under Mao. Stilwell was lying. Yet this was the man with whom our Government asked Chiang to cooperate.

As if his predisposition in favor of the Communists was not enough, soon after assuming command of American troops in China, General Stilwell suffered a stinging defeat at the hands of the Japanese in Burma. Stilwell wanted to take command of Chiang's troops and lead them to avenge his reputation in Burma. When Chiang observed that Stilwell's vanity was not worth the serious risks involved, General Stilwell's hate for Chiang Kai-shek reached icy depths of near perfection. Stilwell even resisted attempts by Chiang to gain control of Lend-Lease equipment sent to China for Chiang's use. Vinegar Joe confided in his diary: "If the G-mo [*Chiang Kai-shek*] controls distribution, I am sunk. The Reds will get nothing." (*Stilwell Papers*, Page 331.)

Because of his intense hatred of Chiang Kai-shek, or because he had himself been a Communist since his days in Hankow, Stilwell permitted pro-Communist Foreign Service Officers attached to his staff to spearhead an attack upon Chiang. General Patrick Hurley, who at the time served as U.S. Ambassador to China, testified:

The record of General Stilwell in China is irrevocably coupled in history with the conspiracy to overthrow the Nationalist Government of China, and to set up in its place a Communist regime — and all this movement was part of, and cannot be separated from, the Communist cell or apparatus that existed at the time in the Government in Washington.

Stilwell abhorred administrative work and turned much of it over to the State Department Officers on his staff — men who soon came to dominate America's China policy. The reports written out of



LIFE

What China wants from Nixon's visit by EDGAR SNOW



As *Life* publishes reports by Edgar Snow on the glories of Chairman Mao, without mentioning that Snow has been identified under oath as a Communist, Henry Kissinger travels to Peking to embrace Red China's Premier. According to proofs verified by the U.S. Senate, Red China's bosses have murdered nearly 64 million people. That figure does not include the more than 5,000 American boys, arms wired behind them, shot in the head on Mao's orders in Korea.



China by this group were given a wide circulation. Copies were sent to the State and War Departments, and some went directly to the White House. From the State Department they were sent to the Treasury, the Office of War Information, and the Office of Strategic Services.

The key man among the strategically placed Foreign Service Officers undermining Chiang Kai-shek was John Paton Davies, who had brought with him to China one John Stewart Service and a team of others who were extremely sympathetic to the Communist cause. It was the "official" policy of Washington to support Chiang Kai-shek, but Davies and Service were setting their own policy in the field. As General Claire Chennault observed: "... it was a common joke [in Chungking] that Stilwell's headquarters were developing a private foreign policy with John Davies as secretary of state."

Davies' reports were little more than propaganda for the Chinese Communists. According to him the Reds wanted to establish a "United States of China" under a "New Democracy." Following the line that the Chinese Communists were not really Communists, John Davies even included in one of his reports to Washington the announcement that Mao's followers intended to raise living standards by "encouraging the growth of progressive capitalism in China."

In another report Davies admitted that the Chinese Communists were seeking to institute socialism eventually, but through a "long and orderly process of democracy and controlled economic development." Since the Communists believed in democracy, he reported, "they seek compromise with the Kuomintang.... they refuse to exploit what seems to be a present opportunity to seek the overthrow of the Kuomintang.... And for this reason they seek to avoid civil war."

*Department of State, *Papers Relating To The Foreign Relations Of The U.S., China, 1943*, Memorandum by John P. Davies, June 24, 1943, Pp. 258-266.

According to Davies: "... it follows that the policies of the Chinese Communist Party will not run counter to the interests of the United States in China in the foreseeable future."

Another major segment of the "Party Line" was that Chiang and his Government were thoroughly corrupt. John Paton Davies reported:

*The Kuomintang and Chiang Kai-shek recognize that the Communists, with the popular support which they enjoy and their reputation for administrative reform and honesty, represent a challenge to the Central Government and its spoils system. The Generalissimo cannot admit the seemingly innocent demands of the Communists that their party be legalized and democratic processes be put into practice. To do so would probably mean the abdication of the Kuomintang and the provincial satraps.**

Davies anticipated that, unless he were stopped, Chiang would move against the Communists and destroy them. In order to try to head off our support of such a policy he reported to Washington:

We may anticipate that Chiang Kai-shek will exert every effort and resort to every stratagem to involve us in active support of the Central Government. We will probably be told that if fresh American aid is not forthcoming all of China and eventually all of Asia will be swept by Communism.... It is therefore not inconceivable that, should Chiang attempt to liquidate the Communists, we would find ourselves entangled not only in a civil war in China, but also drawn into conflict with the Soviet Union.

It should be noted here that John Davies was assuming a connection be-

tween the Chinese Reds and their Soviet sponsors, a fact he denied over and over again in other reports. Davies was about as naïve as a pool hustler.

While the State Department's John Paton Davies did everything he could to sabotage aid going to Chiang, he did everything possible to obtain aid for Mao and the Reds, claiming that such aid would produce their eternal gratitude to the United States. Since Mao Tse-tung had no allegiance to Russia, so the "line" went, he would be our friend if we would but abandon Chiang Kai-shek and throw our support behind the Communists. Davies reported to Washington:

*The United States is the greatest hope and the greatest fear of the Chinese Communists. They recognize that if they receive American aid, even if only on an equal basis with Chiang, they can quickly establish control over most if not all of China, perhaps without civil war . . . **

Davies did not recommend that Chiang be abandoned immediately, but advised that the United States should "have no qualms in ultimately abandoning him in favor of the progressive Communist forces in China." He told Harry Hopkins that we should "avoid finding ourselves at the close of the war backing a coalition of Chiang's Kuomintang and the degenerate puppets against a democratic coalition commanding Russian sympathy."

Was John Paton Davies a Communist? The question is purely academic if we apply the Stalin Standard: "Some are Members of the Party, and some are not;

but that is a formal difference. The important thing is that both serve the same common purpose." While testifying before the Senate Internal Security Subcommittee, former Communist courier Elizabeth Bentley was asked what she knew of the State Department reports of John Paton Davies. She replied:

Through the Silvermaster [espionage] group I was told that he was quite sympathetic to our cause, and I remember one report of his that they gave to me which definitely showed that fact . . . I remember at the time saying, "yes; they were quite right about his sympathies," because the report showed it.

The Silvermaster group referred to by Miss Bentley was the Communist cell headed by Nathan Gregory Silvermaster, identified as a top Soviet espionage agent. Former Ambassador Patrick Hurley flatly accused Davies of being a Communist, but Davies denied it.

Later, in Hearings before the Senate Internal Security Subcommittee, John Paton Davies proved to be a most uncooperative witness. For very good reason. It developed that Davies had officially recommended that the C.I.A. employ as China "experts" Edgar Snow, John K. Fairbank, Agnes Smedley, and Anna Louis Strong — all identified under oath as Communists. Finally John Paton Davies was discharged as a security risk from his State Department job for lacking "judgment, discretion, and reliability."

Even so, and incredible as it seems, one of the last acts of Nicholas Katzenbach while Under Secretary of State in the Johnson Administration was to issue a security clearance to John P. Davies, the notorious security risk who had played so important a part in promoting the cause of Communist China.† Katzenbach "cleared" him to work as a consultant in the C.I.A.-financed Center for Interna-

*"The Chinese Communists And The Great Powers," John P. Davies Jr., November 7, 1944. *Scope Of Soviet Activity In The United States*, Part 34, Page 1933.

†After his discharge by State, Davies had apparently been on the C.I.A. payroll for some years while living in Chile. What he did there may have something to do with the fact that Chile now has an openly Communist President.

tional Studies at M.I.T. The clearance was given with the consent of the incoming Secretary of State, William P. Rogers, who shortly thereafter honored Katzenbach's "good judgment" by appointing him a special consultant.

John Davies' top Comrade in falsifying information being transmitted from China to Washington was the State Department's John Stewart Service. Like Davies, Service was one of a ring of Communists and Communist sympathizers who devoted themselves to delivering China to Mao Tse-tung. Also like Davies, John Service never deviated one iota from the Communist "Party Line" on China. He too claimed in his reports that the "theories of the Chinese Communists" were "dissimilar to those of the Russian Communists." According to John Stewart Service the Communists "exist because the people permit, support, and wholeheartedly fight with them." With their "great popular base," said Service, the Reds "cannot be eliminated."

Service further reported that Chiang was wickedly anti-Russian and that his Government was about to collapse. And despite the fact that there was probably more corruption in New Deal Washington than in the Government of Chiang Kai-shek, John Stewart Service reported to his superiors in the State Department:

*The government and military structure is being permeated and demoralized from top to bottom by corruption, unprecedented in scale and openness, [and] . . . the policies of the Kuomintang under the impact of hyper-inflation in the presence of obvious signs of internal weakness must be described as bankrupt.**

In another official memorandum, John Stewart Service declared:

Chiang's persisting in an active anti-Soviet policy, at a time when

his policies (or lack of them) are accelerating economic collapse and increasing internal dissension, can only be characterized as reckless adventurism. The cynical desire to destroy unity among the United Nations is serious . . . Finally, Russia will be led to believe (if she does not already) that American aims run counter to hers, and that she must therefore protect herself by any means available: in other words, the extension of her direct power or influence.†

In his Report Number 40 of October 10, 1944, John Stewart Service went so far as frankly to suggest that Chiang be publicly abandoned in favor of Mao Tse-tung.

Finally, in June of 1945, at the insistence of U.S. Ambassador to China Patrick J. Hurley, Service was recalled to Washington. When he reached America he was arrested with several others by the F.B.I. on charges preferred by J. Edgar Hoover and Under Secretary of State Joseph Grew. This was the famous *Amerasia* espionage case centering around the Communist magazine by that name. Chairman of the editorial board of *Amerasia* was Service's close friend, Communist Frederick Vanderbilt Field. In the *Amerasia* offices in New York, government agents found more than one hundred files containing 1,700 secret documents stolen from the State Department, War Department, Navy Department, Office of Strategic Services, and Office of War Information. Among those papers was a detailed report showing the exact disposition of every unit in Chiang Kai-shek's army.

Charges were brought against Service and the others and F.B.I. Director Hoover said it was a "100 percent airtight case against Service." Somehow Service's

*U.S. Relations With China, Pp. 567-568.

†Institute Of Pacific Relations, Hearings, Part 3, Exhibit Number 250, Pp. 794-795.

attorneys were able to switch the case from the grand jury which had been hearing the case to another one. The new grand jury refused to indict Service because of "insufficient" evidence, despite the fact that John Stewart Service admitted giving documents to Soviet agent Philip Jaffe, *Amerasia's* editor. It was charged on the floor of the House of Representatives that the full evidence upon which Mr. Hoover made the arrest and claimed the case was "100 percent airtight" was withheld from the grand jury by the Justice Department. Service was then quickly cleared by a kangaroo Loyalty Board set up by the State Department to clean its own coattails. Two of the three members of that Board were Dean Acheson and Nelson Rockefeller. John Stewart Service had friends in high places.

Currently Professor Service teaches at the Center of Chinese Studies at the University of California, Berkeley, where he has been active in the political campaigns of identified Communist Robert Treuhaft.

A reasonable man might assume that since Mao turned out to be the bloodiest dictator in all history, and since the Red Chinese inflicted unspeakable tortures on American prisoners in Korea, shooting many thousands of them in the back of the head and burying them in mass graves, that if Davies or Service were ever to show their faces in public they would be summarily lynched by good Americans. Such an assumption presumes that the public has a memory, and completely overlooks the mentality of the professional "Liberal." John S. Service and John P. Davies, along with another "Old China Hand," identified Communist John K. Fairbank of Harvard University, recently testified as experts before Senator J. William Fulbright's Senate Foreign Relations Committee. The Establishment media treated them as vindicated heroes.

The "Liberal Line" is that President

Nixon's embrace of Mao proves that Davies and Service and Fairbank were right all along; that they were merely victims of "McCarthyite hysteria."

So extensive is the campaign to clear the record of the "Old China Hands" that C.L. Sulzberger of the *New York Times* is now openly recommending that Davies be appointed U.S. Ambassador to Peking. According to Sulzberger, this would "finally right an old injustice." The mind boggles.

In 1944, when Major General Patrick Hurley was dispatched to Chungking as a special envoy (later to become full Ambassador) he discovered that Service, Davies, and their clique of gurus who grooved Mao were running the show in China to sabotage Chiang. Hurley had been thought sufficiently "Liberal" to swallow Mao as an "agrarian reformer" and was sent to China to sell Chiang on forming a Coalition Government with the Reds. Somebody had misjudged Pat Hurley. Soon after arriving in China he discovered what was happening. But Hurley's reports to the State Department were being discredited by John Stewart Service, John Carter Vincent, and their advisors. Vincent was also later revealed to be a member of the Communist Party. As former top Communist Louis Budenz testified under oath: "The Communists relied very strongly on Service and John Carter Vincent in a campaign against Ambassador Hurley."

Meanwhile, reports to the State Department recommending support of Mao from the Davies-Service coterie were being sent directly to Washington without going through Ambassador Hurley's office. Finally, Hurley succeeded in having Davies and his Comrades recalled. Not long afterward Hurley was called to appear before the Chinese Affairs Division of the State Department where, as he later noted: "I was called on the carpet, with a full array of the pro-Communists of the State Department as my judges and questioners, to defend the American

policy in China against 'every official of the American Embassy in China.' **

In November 1945, Ambassador Hurley resigned. He had learned that the men whom he had ordered recalled because of their pro-Communist activities had been promoted over his head and put in charge of him. In a letter to President Harry Truman, General Hurley declared:

I requested the relief of the career men who were opposing the American policy in the Chinese theater of war. These professional diplomats were returned to Washington and placed in the Far Eastern and Chinese divisions of the State Department as my supervisors. Some of these career men whom I relieved have been assigned as advisors to the Supreme Commander in Asia.†

The new chief of the Chinese Division was Communist John Carter Vincent.

John Paton Davies was now appointed to the top planning board of the State Department and given the job of planning China policy. Thereafter he was sent to our Embassy in Moscow, along with Horace Smith, whom Hurley had also ordered out of China. Arthur Ringwalt was another of those sent back by Hurley for pro-Communist activity — he was promoted to Acting Chief of the China Division in the State Department. Two more of the eleven men expelled by Hurley were made Ringwalt's assistants. Service was assigned to General MacArthur's staff to advise the General on how to negotiate with the Soviets. MacArthur refused to accept Service.

In resigning, Hurley had hoped to blow the lid off Communist activity in the State Department. He managed to testify before the Senate Foreign Rela-

tions Committee, but was scoffed at as the bearer of "absurd" charges. Like so many other men of character, General Pat Hurley had sacrificed his career to try to warn America about the Communists. But nobody was listening. Had Hurley's warning been taken seriously, China would not have fallen.

During this period there was a major effort to force anti-Communists from the State Department. According to testimony of former top Communist Louis Budenz, members of the Party were ordered to demand the resignation of "those who were considered to be against Soviet policy in the Far East." Professor Anthony Kubek, one of the nation's outstanding authorities on this era in Asia, notes in his comprehensive book, *How The Far East Was Lost*, that as a result "there was unloosed a barrage of insidious smear attacks and an all-out attempt to discredit the anti-Communists in the Department of State. This was done through Communist front organizations and by those liberal elements of press and radio who customarily promote the key Soviet objectives while pretending to oppose 'Communism.' "

The Reds were all too successful in removing from the State Department what they called "reactionaries." Professor Kubek comments: "It is interesting to note that in all cases the men singled out by the Communists were removed. In effect, the hiring and firing of our State Department personnel was done by Moscow!"

Out went men like Patrick Hurley, Joseph Grew, Joseph Ballantine, and Eugene Dooman. In came the Davieses, Services, Vincents, and Dean Achesons. On September 2, 1960, William D. Pawley, who was special advisor to the Secretary of State and had considerable experience in China, imputed the fall of China to the latter clique of Foreign Service Officers:

It is my judgment, and I was in the Department of State at the

**Military Situation In The Far East Hearings*, Part 4, Page 2928.

†*Hurley Papers*, File 315, Document Number 81, MSS, Santa Fe.



Harry White
Asst. Sec. of Treasury
Communist



Lauchlin Currie
Presidential Assistant
Communist



John C. Vincent
State's China boss
Communist



Edgar Snow
Propagandist
Communist



Owen Lattimore
Propagandist
Early Maoist



George Marshall
Secretary of State
Promoted Mao



Henry Kissinger
Top Policy Planner
Kowtowed at Peking



Richard Nixon
President
Would embrace Mao

These are the men who betrayed China. The photo below was taken on July 19, 1971, after (l. to r.) J.K. Fairbank, John S. Service, and John P. Davies appeared as China *experts* before the Fulbright Committee. All are Maoists. Fairbank was identified under oath as a Communist; Service was arrested in the Amerasia spy case; and, Davies used his post at State to promote Mao and was officially exposed.



time, that this whole fiasco, the loss of China and the subsequent difficulties with which the United States has been faced, was the result of mistaken policy of Dean Acheson, Phil Jessup, [Owen] Latimore, John Carter Vincent, John Service, John Davies, Jr. — did I mention him? — [Edmund O.] Clubb, and others.

But of course the State Department has never had a monopoly on the employment of Communists. Lenin declared that the surest way to destroy the capitalist system is to debase the currency, and a number of his followers in our Treasury Department devoted themselves to the task of making certain that China's currency was debauched. Background to the financial situation in China is provided by Dr. Arthur Young, financial advisor to the Chinese Government from 1929 to 1946:

When the Nationalist Government took over, they set out on a program of financial rehabilitation. During the period from 1928 to 1937 they succeeded in unifying and stabilizing the currency. They developed quite promptly very large revenues, sources of revenue, from the customs and internal revenue with the result that the Government had a large degree of financial stability by 1937. * **

The result of the Japanese attack was, of course, to disrupt, to tear down a great deal of good work which the Nationalist Government had done during this period . . .

When the war came, the Japanese rapidly overran the principal cities and destroyed the sources of revenue. They also, of course, drove the Chinese out of the areas where the most modern developments had taken place, and it was not possible at that time for the Chinese Gov-

ernment to derive adequate revenues from the sources at its command.

The Chinese Government, therefore, was forced to rely on paper money, inflation, as the main financial resource available for the purpose of fighting the war.

Chiang Kai-shek well understood the consequences of issuing an unbacked currency, and therefore arranged for a loan of \$250 million in gold from the United States to stabilize his money. The man in charge of delivering that gold to China was Assistant Secretary of the Treasury Harry Dexter White — another Soviet agent. Over a period of three and a half years, White shipped only \$27 million of the \$250 million that had been promised Chiang. White used, and helped create, every conceivable bit of red tape, every imaginable delaying tactic, to keep the Nationalist Government from receiving the aid it needed to survive. Working with Soviet agent White in one of history's most incredible acts of sabotage was Soviet agent Frank Coe* in White's office at the Treasury in Washington, and Communist Solomon Adler, our Treasury attaché in Chungking.

In 1945, Congress voted a second loan, this one of \$500 million — but not one cent of this ever reached China. Again, Soviet agent Harry Dexter White was the culprit. China's currency collapsed. The exchange rate of the Chinese currency dropped from 60 to the American dollar to 4,000 to one. The Communists destroyed Chiang's currency, and American "Liberals" cited the consequent chaos, panic, and military defections to prove that men like Davies and Service had been right about the Nationalists all along. Once again, the mind boggles.

Then, as now, Chiang Kai-shek's chief

*Frank Coe is now an economist for Red China and is reported to have played a key role in arranging Henry Kissinger's recent meeting with Chou En-lai.

enemies were in the United States. One organization which embraced in its ranks almost all those responsible for the betrayal of China to the Communists was the Institute of Pacific Relations. The I.P.R. was an avatar of the Establishment *Insiders'* Council on Foreign Relations, and was ostensibly dedicated to impartial scholarship. As it turned out, the Institute's educational materials were about as impartial as the *Daily Worker*. To millions of Americans this seemed incredible, since the trustees of the I.P.R. included many of the nation's mightiest "capitalists." It was in fact financed by the likes of the Rockefeller and Carnegie foundations, International Business Machines, J.P. Morgan & Company, Standard and Shell Oil, and Chase Manhattan Bank.

Yet, as the Senate Internal Security Subcommittee concluded: "since the mid-1930's, the net effect of the IPR activities on United States public opinion has been pro-Communist and pro-Soviet, and has frequently and repeatedly been such as to serve international Communist, Chinese Communist and Soviet interests, and to subvert the interest of the United States."

No less than fifty-four persons prominently connected with the I.P.R. were identified under oath as activists for the International Communist Conspiracy. The Senate Subcommittee formally found: "The Institute of Pacific Relations (IPR) has been considered by the American Communist Party and by Soviet officials as an instrument of Communist policy, propaganda, and military intelligence." It served as a virtual employment agency pumping chosen agents into high positions in the U.S. Government, particularly the State Department. Without exception, the "Old China Hands" who engineered the demise of Free China were connected with the I.P.R. And the Institute's publications were almost the only source of information on the Orient made available within our government, military, mass media, and academies.

Members of the I.P.R. labored long and hard in the mass media, trying to convince Americans that the Red Chinese were harmless "agrarian reformers," a kind of Asian branch of the Eleanor Roosevelt League For Beautification Of Democracy. Their head cheerleader was propagandist Edgar Snow, a devoted Comrade still working faithfully to have Mao declared The Living Buddha. Snow authored such praise of Stalin's puppets as *Red Star Over China* and *People On Our Side*. (The "people on our side," Professor Anthony Kubek points out, are the men who in Korea later shot American prisoners in the back of the head while their hands were wired behind them.) The author of these snow jobs was a personal friend of Mao's who spent a great deal of time behind Communist lines. It later turned out that both Edgar Snow and his wife, Nym Wales, were members of the Communist Party.

During World War II, Comrade Snow was made associate editor of the *Saturday Evening Post*, and produced a blizzard of sixty-one articles in the *Post* about China, Asia, Russia, and Europe. In his books and articles Snow created and/or perpetuated all of the myths which pictured Chiang as the incarnation of the evil Dr. Fu Manchu and Mao as a kindly Snow White.

Past is prologue, as we have said. Today Edgar Snow is back writing Communist propaganda for the national media — this time for *Life*. Profusely illustrated features in that magazine for April 30 and July 30, 1971, show that despite recent Senate Internal Security Subcommittee confirmation of the fact that Mao has murdered nearly 64 million of his own countrymen, he still can do no wrong in the eyes of the abominable Snow. Of course the fact that Snow is a Communist may have something to do with this. But *Life* evidently feels that his being a Communist is irrelevant, and fails to mention that well-documented fact in introducing Snow to its readers as an "Asian expert." Edgar Snow's Communist credentials are apparently not part of

what *Life* is so fond of referring to as "the public's right to know."

What made all of this Communist propaganda so devastating was that it appeared in non-Communist publications. It was Communist strategy to get Red propaganda into the non-Communist media. As the old Bolshevik who calls himself "V.M. Molotov" has observed:

Who reads the Communist papers? Only a few people who are already Communists. We don't need to propagandize them. What is our object? Who do we have to influence? We have to influence non-Communists if we want to make them Communists or if we want to fool them. So, we have to try to infiltrate in the big press . . .

The top I.P.R. tubthumper for the Chinese Communists, and a man who did much to shape the policy that led to our disasters in the Far East, was Owen Lattimore — now in Communist Mongolia. From 1934 to 1941, Lattimore edited the I.P.R. journal *Pacific Affairs*, using the magazine as a forum for Soviet propaganda. After long Hearings the Senate Internal Security Subcommittee termed Owen Lattimore "a conscious, articulate instrument of the Soviet conspiracy." Louis Budenz testified under oath to five separate personal experiences within the Politburo of the Communist Party, U.S.A., when Lattimore was involved as a conspirator.

Lattimore was explicitly careful, he once told a friend, to avoid Communist jargon which would tip his hand. He was the author of eleven books and over forty articles on the Far East during the time in which our sellout of Chiang Kai-shek was being arranged. Former top Communist Louis Budenz testified under oath that Owen Lattimore had been handpicked by Soviet intelligence "to change the thinking here in Washington and in America on the Communist activities in China and its

relations to the Soviet Union." Lattimore's themes on China echoed those of Davies, Service, Fairbank, Vincent, Snow, and the other Maoists.

Of course Owen Lattimore's I.P.R. contacts reached not only into the State Department (through I.P.R. Comrade John Carter Vincent), but directly into the White House through Lauchlin Currie, another I.P.R. member. Currie was an "administrative assistant" and "special advisor on Far Eastern Affairs" to President Roosevelt. The Senate Internal Security Subcommittee later established that Currie was a member of the Silvermaster espionage ring.

The Institute was also deeply involved in post-war planning. Soviet spy Alger Hiss, who became acting director of the Office of Special Political Affairs in charge of all post-War planning, was a trustee of the I.P.R. Much of that planning was aimed at turning China over to the Communists.

The fact that Communists were able to control almost all information about China reaching both Presidents Roosevelt and Truman played a major part in victimizing Chiang at the conferences held in Teheran, Yalta, and Potsdam.

Roosevelt had been convinced by George Marshall that it was imperative Stalin join us as an ally against Japan. This was used as an excuse to offer the supposedly reluctant Stalin every enticement to bring Russia into the Pacific war after the collapse of Germany. It was like bribing John Dillinger to rob a bank. Only the toughest stand by the United States could have kept Stalin from rushing into the vacuum created by our impending defeat of Japan. Yet President Roosevelt made concession after concession to Stalin, despite the fact that he had been told by the War Department, General MacArthur, Admiral King, and Admiral Zacharias that Japan was virtually prostrate and desired to surrender. Japan's fleet and merchant marine were on the bottom of the ocean, and without

them Japan could not long survive. Moreover, F.D.R. was told on the way to Yalta that the A-bomb had been perfected and would soon be ready for use.

As early as February 1945, the Japanese were suing for peace — but they made the mistake of approaching Washington through the Soviet Union, with whom Japan had a peace treaty. Stalin sat on all such proposals of surrender because it was to his advantage to prolong the Pacific war until he could arrange to get in on the spoils. Later, Japan sent peace feelers through Switzerland, but despite the fact that they contained terms virtually identical to those which would eventually be accepted, the U.S. Government rejected them. Had Japan's surrender been accepted in May, instead of August, China would not have been lost to the Communists. Here is what happened.

At the Teheran Conference the Soviets "agreed" to attack Japan after the surrender of Germany. President Roosevelt in turn scrapped an earlier agreement to build up 100 divisions of the Nationalist Chinese Army, and instead promised to turn that equipment over to the U.S.S.R. Those armaments and that decision made Russia — and later Red China — dominant in Asia.

It might be claimed that at Teheran it looked like a good idea to bring the Russians into the War; but by the time of Yalta and Potsdam we certainly should have called off the deal. Instead, we tripled the ante to Russia, even though the Soviets were already breaking their agreements in Europe. And remember also that by the time of the Potsdam Conference the U.S. had already successfully tested the A-bomb!

Nonetheless, Stalin was provided with more than twice as much war matériel in one lump as Chiang had received in four long years of bloody fighting as our ally. In addition, F.D.R. gave Stalin, as Professor Kubek puts it: "... effective control of the same territory [Manchuria] over which the United States had gone to war

with Japan, and by doing so set the stage for the Communist conquest of China" China had been promised the return of Manchuria; F.D.R. gave it to Stalin. And he gave Stalin a naval base at Port Arthur, commercial preponderance in Dairen, Outer Mongolia, Southern Sakhalin, and the Kurile Islands.

As a result, the brave Soviets entered the War after our atomic strike, six days before Japan surrendered, and seven days *ahead* of schedule. For six days' effort the Soviets gained more than did America after nearly four years of the bitterest sort of warfare. The consequences were later described in testimony by General Patrick Hurley: "American diplomats surrendered the territorial integrity and the political independence of China, surrendered the principles of the Atlantic Charter, and wrote the blueprint for the Communist conquest of China in secret agreement at Yalta"

Apologists for the Yalta sellout would have Americans believe that previously trustworthy old "Uncle Joe" just turned out to be a rat. Surprise! That's not the way Ambassador Hurley saw it:

They talk about Stalin breaking his agreements, gentlemen. He never had to break one. We cowardly surrendered to him everything that he had signed and we did it in secret . . . at the time of Yalta the United States had unquestionable power to make Russia respect her solemn agreements, but instead we surrendered them in secret. Russia did not have to break her agreements or commitments. All of them were surrendered to her by American diplomats at Yalta and subsequently. . . .

Our military supremacy at the end of World War II was unchallengeable, and our diplomats were in an excellent position to prevent the expansion of Communism in Asia or anywhere else. When the

Japanese surrendered, the Chinese Communists occupied only a small portion of China. But soon a race began for control of cities, strategic areas, communications, and air and rail lines previously held by the Japanese. The Communists began pouring into Manchuria where the Soviets armed them with the huge stores of guns and ammunition surrendered by the Japanese Kwantung Army. In addition, the Russians armed their Chinese puppets with the Lend-Lease supplies which had been sent to bribe Stalin into a six-day war against Japan.*

While all of this was taking place, President Truman announced that the United States would not offer "military intervention to influence the course of any Chinese internal strife." He urged Chiang to give the Communists "a fair and effective representation in the Chinese National Government." He offered loans, but only if Chiang Kai-shek would accept the Soviet stooges in a coalition Government. Such demands were made despite Mao's statement of April 1945, in the Seventh National Convention of the Chinese Communist Party, that the Reds would work to use any such Coalition to destroy Chiang and defeat "reactionary American imperialism."

General Marshall was now made U.S. Ambassador to China. A close friend of Stilwell's, Marshall spouted all of the carefully created misconceptions about the situation in China. According to George Marshall: "On the side of the Chinese Communist Party there are, I believe, liberals as well as radicals . . . it has appeared to me that there is a definite liberal group among the Communists . . . who would put the interests of the Chinese people above ruthless measures to establish a Communist ideology . . ."

When Marshall arrived in China at the end of 1945, Chiang possessed a five-to-

one superiority in combat troops and an equivalent superiority in weapons. The Nationalists seemed on their way to certain victory. But George Marshall took care of all that! Whenever Chiang's armies were on the verge of a key victory, Marshall would force a truce in which the Communists would solemnly promise to cooperate with the Government. Instead, on three separate occasions, they used the time to regroup and rearm. They then violated the ceasefire and resumed the war, blaming the resumption of hostilities on the Nationalists. Yet the "progressive" George Marshall never became disillusioned with his "agrarian reformers."

Chiang was willing to set up a Constitutional Republic with a national assembly representing a broad spectrum of beliefs. And he did so. But the Communists were unwilling to participate on this basis. They insisted that they be taken into the Government *en masse*, and at the same time that they be permitted to maintain their separate army. Naturally Chiang was unwilling to pursue that course.

When it appeared that Chiang Kai-shek would be victorious, General Marshall declared an embargo on all American supplies of arms and ammunition. It lasted from August of 1946 to July of 1947. Marshall boasted: "As Chief of Staff I armed 39 anti-Communist divisions, now with a stroke of the pen I disarm them."

With the stroke of his pen, George Marshall managed to snatch defeat for the Nationalists from the jaws of victory. His rationalization was that the United States was neutral in the Chinese "civil war," and that to deliver arms already promised the Nationalists would be a display of favoritism. Meanwhile, as Chiang's armies ground to a halt because of lack of guns and ammunition, his soldiers found their pay was worthless because the Communists had sabotaged shipment of millions in gold long authorized by Congress to prevent exactly such an occurrence. This

*The "Liberal" Press reported that the American equipment had been surrendered to the Reds by "demoralized Nationalist troops."

even as the Communists were arming themselves in Manchuria with American Lend-Lease, and captured Japanese stores, provided by the Russians courtesy of F.D.R.

Yet, as late as January 1947, General Marshall claimed he "knew of no evidence that the Chinese Communists were being supported by Russia." During George Marshall's mission to China the Red Army grew from 300,000 badly equipped guerrillas to 2 million U.S.-equipped soldiers. Marshall's mission had been a complete success — from the standpoint of the Communists.

In July of 1947, after George Marshall became Secretary of State, President Truman sent Lt. General Albert Wedemeyer to China to make an inspection of conditions there. Wedemeyer's report stressed the strategic importance of China to the United States; emphasized the fact that Chiang was *not* a "corrupt, fascist reactionary"; and, exposed the brutal nature of the Communist leadership. The General strongly recommended that the Administration reverse its pro-Communist policies of the previous twenty months. It was still not too late to save China!

But the Wedemeyer Report was not released for two long years... until it was too late. George Marshall later admitted, "I did not *join* in the suppression of the Report. I personally suppressed it."

After the Marshall Mission, it was a downhill slide ending on Taiwan.

The staunchest apologist for our disastrous China policy was Dean Acheson, who succeeded Marshall as Secretary of State. Acheson had been very close to such identified Communists as Alger Hiss, J.K. Fairbank, John Carter Vincent, and

others. And Secretary Acheson always defended these men against charges (later proven) that they deliberately supported Communist interests against those of their own country. Dean Acheson was a curious choice for Secretary of State, anyway, since he had been employed by Stalin as an attorney for the Soviet Union.*

Acheson defended America's China policy by citing figures on the amount of materials supposedly given to the Nationalists. Just as with the shipments of the gold, much of the military equipment ordered sent to China never arrived, or arrived too late. As Vice Admiral Russell Berkey later recalled: "For some reason or other it took nine months to get specific items to China. Somewhere in the United States somebody slipped up, bogged down, or was interfered with. It has never been made plain why this material did not arrive in time."

It was all very curious. Large quantities of munitions and equipment intended for China were destroyed, and others were dumped into the Indian Ocean. Much of the material finally received by the Nationalists had been rotting on Pacific islands and was useless. According to Colonel L.B. Moody, who served in China at the time, what the Nationalists needed was small arms and ammunition; but what we sent was "billions of moldy cigarettes, blown-up guns and junk bombs, and disabled vehicles from the Pacific islands, which has been totaled up with other real or alleged aid in various State Department, Communist and Leftist statements to create the impression that we have furnished the Nationalist Government with hundreds of millions or even billions of dollars worth of useful fighting equipment."

American "aid" turned China's depots into junkyards. A truck was officially defined as a vehicle "with less than 20 percent of its parts missing." Chiang was supplied with tanks whose guns had been spiked, machine-guns without tripods,

*Is it ironic that Richard Nixon built much of his political career denouncing the pro-Communist policies of Dean Acheson. On a TV special concerning his career aired over C.B.S. on September 28, 1969, Acheson confided to interviewer Walter Cronkite that he was now serving as an advisor to the Nixon Administration. One of them had apparently changed sides.

rifles without clips or ammunition, and planes without aviation fuel. In addition, spare parts for vehicles and aircraft were non-existent.

Yet Acheson piously claimed that we had done everything possible for Chiang. That was later. On February 5, 1949, at a White House Conference, Secretary Acheson had proposed to the President that "the supplies which were then being loaded in ships in Hawaii and San Francisco for the Chiang Kai-shek government be dramatically stopped as a move toward world peace." It was the "peace" of the grave!

Following the fall of mainland China to the Communists, the "Old China Hands" and the I.P.R. crowd began to push for recognition of the Maoist regime. But Communist butchery of Americans caught in China, and the open killings of millions of Chinese "capitalists," made the subject more than a little touchy. The invasion of Korea, and the incredible atrocities against our prisoners, forced Mao's propagandists to put recognition of Red China in the deep freeze for nearly two decades.

But by the spring of 1971, many of the "Old China Hands" were back once again championing their favorite cause. The fact that Mao had by conservative estimates annihilated nearly 64 million of his own people had not diminished their reverence for the Chinese dictator as a simple, humanitarian democrat. Back in the limelight were John Paton Davies, John Stewart Service, Edgar Snow, John K. Fairbank, and Mark Gayn.* It must have seemed like Old Home Week at the Soviet Embassy.

This gang is now back in the hoopla business, leading the hoorays and hallelujahs for President Nixon's recent announcements that the United States will support the seating of Red China in the

*Gayn was also one of those arrested in the Amerasia case, and has recently produced a series of articles on the glories of Red China which was syndicated by the *Toronto Star*.

U.N. and that before May Mr. Nixon will personally visit Peking.

With the Red China Lobby leading the parade, the Establishment media are hailing Nixon as a great peacemaker for "normalizing" relations with the gangster government of Mao Tse-tung. After all, so the "Liberal" cliché goes this year, you can't ignore 800 million people. And, witnessing his overwhelming support in the mass media, a large segment of the American public has been led to support Richard Nixon's about-face. The technique is called "creating the appearance of popular support." First Red China's admission to the U.N., already being backed by President Nixon; then recognition of Red China by the United States.

Quite an about-face! As Citizen Nixon observed in his book *Six Crises*:

... admitting Red China to the United Nations would be a mockery of the provision of the Charter which limits its membership to "peace-loving nations." And what was most disturbing was that it would give respectability to the Communist regime which would immensely increase its power and prestige in Asia, and probably irreparably weaken the non-Communist governments in that area.

Citizen Nixon was so right. Just as he was when he declared while seeking the Presidency:

I would not recognize Red China now, and I would not agree to admitting it to the United Nations, and I wouldn't go along with those well-intentioned people that said, "trade with them" because that may change them. Because doing it now would only encourage them, the hard-liners in Peking and the hardline policy they're following. And it would have an immense effect in discouraging great numbers of non-Communist

elements in Free Asia that are now just beginning to develop their own confidence.

Mr. Nixon was talking out of both sides of his mouth even then. While taking the above tough stand publicly, he was writing in the October 1967 issue of *Foreign Affairs*, the learned journal of the *Insiders'* Council on Foreign Relations:

Taking the long view, we simply cannot afford to leave China forever outside the family of nations, there to nurture its fantasies, cherish its hates and threaten its neighbors. There is no place on this small planet for a billion of its potentially most able people to live in angry isolation.

President Nixon's great leap forward was thus no surprise to the *Insiders* who read *Foreign Affairs*. After all, Henry Kissinger was at the time a member of the editorial advisory board of that magazine.

Nixon's recent statements concerning China remind many of Neville Chamberlain's promises of "Peace in our time!" In a statement which the "Old Nixon" would have disparaged as rank appeasement, the President has even declared: "Every nation, of whatever size and region of the world, will find us receptive to new departures on the path to peace." Of course you must understand that this philosophy does not apply to Rhodesia or Greece, friendly nations committing the sin of anti-Communism.

In charting the road ahead, Mr. Nixon has proclaimed: "In this decade . . . there will be no more important challenge than that of drawing the People's Republic of China into a constructive relationship with the rest of Asia." And again, the President has declared: ". . . there can be no stable and enduring peace without participation of the People's Republic of China and its 750 million people."

Usually the number given is 800 mil-

lion. Give or take a few million, Mr. Nixon may have reduced the figure to allow for the 63 million Chinese established by the Senate Internal Security Subcommittee to have been murdered by the Maoist regime. It *must* be understood that in the real world we are not dealing with the millions of Chinese peasants who want to mind their own business and increase their standard of living, but with a small clique of gangsters who have murdered 63 million of their own countrymen. Civilized people don't embrace mass murderers.

Few Americans are aware that we are still at war with the Red Chinese in Korea. Many have apparently forgotten how Red China's Russian-trained commissars treated our prisoners there. They have forgotten that in addition to invading Korea, the Red Chinese have also invaded Tibet and India; planned, supported, and nearly accomplished a takeover in Indonesia; fomented and supported guerrilla rebellions in India, Thailand, Laos, Burma, Malaysia, and the Philippines — not to mention their subversive activities in South America and black Africa. The problem isn't that the Red Chinese are isolated; it is that they aren't isolated enough.

Can it be that Americans have somehow forgotten that the Communists are the aggressors in Vietnam and that Red China is a chief supplier of our enemy there? Can it be that Americans are able to ignore the fact that the Red Chinese have maintained military service units in North Vietnam throughout much of the conflict there, and that they now have a 50,000-man "work force" cutting an invasion road across helpless Laos toward our Thai ally?

The Chinese Reds have also been active in fomenting subversion in the United States. As F.B.I. Director J. Edgar Hoover recently observed: "During the past year . . . we have experienced a definite increase in our Chinese investigations due to the stepped-up intelligence activi-

ties on the part of the Communist Chinese aimed at procuring highly coveted technical data both overtly and covertly, and the efforts of Chinese Communists to introduce deep-cover intelligence agents into this country." Director Hoover also spoke of Chinese support of the Black Panthers, the Progressive Labor Party, and other revolutionary groups. Mr. Hoover noted that the admission of Red China to the U.N. will enormously increase its ability to carry on subversive and espionage activities in our country. As he put it in *V.F.W. Magazine* for June 1971:

Red Chinese intelligence in the United States, as compared with Soviet Russia's, has a major handicap in that Peking is not recognized diplomatically by this country nor is it a member of the United Nations A high percentage of Soviet espionage, for example, is carried out by . . . the USSR's Mission to the United Nations in New York.

But, according to the nationally syndicated columnist Paul Scott, this makes little difference to President Nixon. As Scott noted: "Persons in and out of government who encourage opposition to the President's Red China visit are viewed by the President as being enemies of peace."* Incredible! We have 450 P.O.W.s still imprisoned in Red China or unaccounted for in Red Chinese hands since the halting of the Korean War nearly twenty years ago. Nothing is said about them. They are presumably "enemies of peace."

In 1965, Richard Nixon proposed a military and economic association of free Asian nations to oppose Red China. This association was needed, he said, because "In Asia, Communist China has a plan. It is a ruthless plan, it is a terrible plan Free nations do not have a plan."

Which is exactly the point. Our allies in Asia, particularly Japan, now realize

that they have been left holding the bag. While encouraging our friends to maintain an anti-Communist course, President Nixon has made his deal with Mao. The leaders of the free Asian nations don't wish to be dominated by the Chinese Reds, but they are practical men. They will now move toward Peking to try to make the best deal possible. Richard Nixon has become the instrument for fulfilling the Red Chinese plan he wrote about in 1965.

Certainly Chiang Kai-shek now realizes that he is considered expendable by our Richard Nixons and Henry Kissingers. Taiwan is to Red China as Czechoslovakia was to Hitler. Will Nixon kowtow when Mao promises "peace in our time" in return for the President's acquiescence to this "last territorial demand" in Asia?

Will ice melt in Death Valley in July?

Already the Senate Foreign Relations Committee has voted unanimously to repeal a 1955 Congressional Resolution giving the President authority to employ U.S. forces to defend Taiwan. The *Houston Tribune* reported on August 12, 1971, that Herr Kissinger, with Nixon's full approval, had told Chou En-lai that the United States would do nothing to prevent Red China from taking Chiang's offshore islands of Quemoy and Matsu. And the C.I.A. is even now financing Taiwanese "patriots" calling for expulsion of Chiang Kai-shek and the Nationalists. You don't have to be a weatherman to tell which way the wind is blowing.

The big carrot being held out to entice the American public to swallow Mr. Nixon's "new" China policy, which he has adopted from the Red China Lobby, is the promise of trade to excite our

*Director Hoover recently wrote an article titled "The Red Shadows Of Mao Tse-tung In America." It was scheduled for reprint by the F.B.I. until President Nixon made his announcement supporting China's admission to the U.N. Then pressure was applied from the White House and plans to reprint were cancelled.

flagging economy. While even most "Liberal" propagandists admit that such trade will not be any immediate bonanza, they chat smartly of "800 million potential customers." As Pepsi-Cola's Don Kendall expressed it: "If we start with a small thread to China, we can turn it into a cable." *U.S. News & World Report* observes with unintentional irony that the "long-term goal of the Nixon Administration is to place U.S. trade with Red China on the same footing as trade with the Soviet Union."

Mr. Nixon has already freed a thousand items for shipment to the Red Dragon — all officially labelled "non-strategic." They are hardly that! Tooling for making rocket launchers, and the chemicals to propel a rocket and make it explode, are considered "non-strategic" by current Nixon standards. We spend \$75 billion a year ostensibly to protect ourselves from the Russian and Chinese Communists and then engage in a program to increase their military potential!

Harry Schwartz suggests what is happening in the *New York Times* of July 19, 1971:

For the long run China must accelerate its economic growth, both to meet its peoples' needs and to create the military strength necessary if it is to enjoy fully the position of the world's third super-power...

It would be surprising if Chairman Mao and his associates were not thinking seriously about the possibility that improved relations with the United States could bring their country important economic and technical aid. General Electric, the Ford Motor Company and other major American corporations played significant roles in helping create Soviet economic strength between 1925 and 1935 during the Stalin era. Could they not do the same for China in the 1970's?

Yes they could. Which is a big part of what it is all about. We created the industrial economy of the Soviet Union and now we are about to do the same for China.* The price we are paying today for having industrialized the Soviet Union is incalculable. Now we are going to make the same "mistake" once again.

And China's virtually non-existent "economy" needs help desperately. Despite all of Mr. Nixon's prattle about the talents and productivity of the Chinese people, nobody produces under Communism. Little Taiwan with its 14 million people out-produces giant China. The very idea of "trade" with Red China is ludicrous. Before you can buy something you must first produce something. How much lotus paste and sauce of cuttlefish can an American family use in a year?

Red China has only two sources of obtaining substantial foreign exchange with which to buy U.S. goods: heroin and the U.S. taxpayer.† Peking will greatly increase its already plentiful export business in heroin which, besides destroying countless lives, will cost the taxpayer dearly in increased costs of crime, courts, prisons, parole officers, etc. Trade with the Red Chinese will be a real shot in the arm for our economy — a shot of heroin.

Those imports which are not financed by heroin sales will be paid for by the U.S. Export-Import Bank. In August 1971, Congress cleared the way for the extension of credits to Red China by the U.S. taxpayer when it removed the Wylie Amendment from the Export-Import Bank Act. The Wylie proviso flatly barred loans to Red China. As Congressman Chalmers Wylie (R.-Ohio) put it:

We are talking about permitting financing through a bank, if you

*See Antony Sutton's brilliant *Western Technology And Soviet Economic Development, 1930-1945*, Hoover Institution Press, Stanford, 1971.

†See Susan Huck's article beginning on Page 49 of this issue.

please, which is a creation of this Congress, and an agency of the United States, to make loans to improve the economy of countries which help finance the activities of a nation killing American boys.

The Wylie Amendment had been passed a month earlier with strong Republican support. But, when the bill came up again in August, fifty Republicans surrendered to pressures by Mr. Nixon and voted to strike the Wylie Amendment from the bill. It now appears that the stimulus to the American economy from the Red China trade will be paid for by the long-suffering taxpayers of this country. It is *foreign aid* to Peking!

And, while Mr. Nixon's sudden cozying up to the Peking mob has attracted reams of comment and publicity, there is one aspect of all of this which has attracted virtually no attention. I refer to the fact that large oil deposits have been found near the Senkaku Islands in the East China Sea, a territory whose area is claimed by both Nationalist and Red China as well as Japan. The *New York Times* of April 10, 1971, reported that the State Department had advised several American oil concerns to cease exploring the area. Reports within the oil industry indicate that Standard Oil was permitted to move in after the others left. Standard Oil is as much Rockefeller property as Dr. Henry Kissinger, Mr. Nixon's top China advisor.

In dealing with Red China, so far, we have made numerous concessions and have asked none in return. Perhaps the concession "we" will receive will be drilling rights for Standard Oil. It will be recalled that David Rockefeller has been promoting an opening of Red China trade for the past five years. The plot thickens, as they say. In this case, oil is thicker than blood.

It is highly possible that President Nixon's preparations for "bringing China back into the community of nations" is

another major move towards World Government. Twice in recent months James Reston of the *New York Times*, a man very knowledgeable about such things, has emphasized Mr. Nixon's desire to create what Reston repeatedly calls a "new world order." Mr. Nixon even began his inaugural address with "My fellow citizens of the world community," as if he were being sworn in as President of the World instead of merely President of the United States.

In order to entice Americans into listening to arguments for a world super-state, it is necessary first to convince them that they have nothing to fear from the Communist nations. And, as the editors of *Time* noted in that weekly slick for July 26, 1971: "Nixon, the old Communist baiter, may yet do more than any other U.S. leader to rid the U.S. of an obsessive and restrictive fear of Communism."

The thirty-year story of the sellout of China to the Communists is one loaded with perfidy and irony. Possibly the ultimate in perfidy and irony is that, in 1968, Americans voted for Richard Nixon in the belief that he would stand up to the Communists and defend our interests. Many were frankly afraid that Hubert Humphrey would do something as wild as recognizing Red China and betraying our Christian allies on Formosa. Who can believe that Humphrey could have gotten away with it? He would have been fiercely resisted by Republicans in the Congress — men who today are going along with the Nixon policies in the name of Party unity.

As *Time* magazine has observed: "It would be ironic . . . if the man who launched a political career largely on the basis of his fervent anti-Communism were to cap it by establishing himself as a leader who helped move the capitalist and Communist worlds toward a historic rapprochement . . ." Or, as James Reston of the *New York Times* puts it: Toward a "new world order." ■ ■