The British role in the creation of Maoism

by Michael O. Billington

This report opens up the role of the British in the creation and nurture of the Communist Party of China (CPC) and what became known as Maoism, as one of the myriad parts of the “balance of power” structure created by the Versailles Treaty process following World War I. The British, at that historical turning point, were particularly concerned that Dr. Sun Yat Sen, China’s foremost republican leader, might succeed in his ambition to modernize and unite China through his unique combination of the Confucian moral tradition, the Christian humanist tradition from the Renaissance, and the American System of Political-Economy. Such a policy would have put China on a course to becoming a major power in the world, which would have severely disturbed London’s preferred “balance.” In practice, this “balance of power” kept the British in control, not by means of a superior culture, but by destroying any emerging power, while draining resources from subjugated colonies or semi-colonies.

Sun Yat Sen’s program for China envisioned the development of all of Asia in collaboration with republican forces in Europe and the United States. This was considered to be the greatest conceivable danger to the continued world domination of British financial power. As was the usual British policy, while taking certain direct measures against Sun’s organization, they also set in motion the creation of a radical counter-revolutionary force against Sun’s Nationalist Party, to prevent the emergence of a strong republican China.

The British were experienced in the use of such Jacobin tactics. They had just used similar means in the creation of Lenin’s Bolshevik Party and the subsequent takeover of Russia, just as they had been the primary movers behind the Jacobin terror itself during the French Revolution. It was the view of the British oligarchy, as it is today, that the emergence of anarchistic, communist, religious fundamentalist, and similar, heteronomic movements, despite the problems they may provoke, were preferable to the emergence of a republican nationalist force which would threaten Britain’s “balance of power.” This is the political equivalent of...
the barbarian military tactic of "scorched earth."

I will show here that the British created such a counter-revolutionary force against Sun Yat Sen by intervening in the social upheaval known as the May 4th Movement, following the British and American sellout of China at Versailles. They drew on the tyrannical "Legalist" and "Daoist" tradition from ancient China, contributing their own western version of Daoist irrationality; the result was the Communist movement.

Plato vs. Aristotle in China

There are many studies of the early, formative period of the Communist Party of China that investigate the influences of Marxism and other western ideologies and their interface with the influence of domestic Chinese cultural and historical movements. However, these virtually all treat the issue as some variation of a formula, combining so-much "eastern" influence with so-much "western" influence, based on the assumption that these are the two mutually exclusive operative categories dividing mankind. This false, and racist, world view serves a twofold purpose to an oligarchical elite: it justifies a policy of forced relative backwardness upon undeveloped nations, while it also obscures the distinction between the two opposite and contending world views which exist within both the West and the East.

These two world views can be broadly identified in modern political terms of reference as, on the one hand, the colonial policies identified with British imperialism, derived philosophically from Aristotle and the Enlightenment, and, on the other hand, the nation-building policies identified with the republican founding fathers of the United States, philosophically derived from Plato, Christianity, and the Renaissance.

These two contending philosophical views of man have a direct parallel in China. The British, who have always excelled in profiling historical and ideological weaknesses of those nations they have targeted for subjugation, intensively studied these opposing world views in Chinese history and culture—especially in the years of their increasing control over China following the 1840s Opium War—searching for an Aristotelian parallel which could serve their purposes. Their intent was to overcome the profound and pervasive moral tradition of Confucius and Mencius, which, like Platonism and Christianity, views all men as created equal, in the image of the Creator, and considers the role of the statesmen to be that of serving natural law. This tradition, and the deep historical commitment of the Chinese to education based upon these principles, threatened to generate citizens and leaders who would not tolerate the drug-dealing British warlords, nor the enslavement of the Chinese people under the British imperial yoke.

The British found the desired ideological weakness in the so-called "Legalist" tradition, which developed in direct reaction to Confucianism during the fourth and third centuries B.C., associated with the irrational Daoist mystical cults that proliferated during the period of the Warring States (476-
The British faced a severe threat to their empire in the closing years of the last century. Although they had firm control of India, China, and other Asian colonies—without which their internal economy would have collapsed—their continued control depended on keeping Europe divided and economically weak. The policies adopted at the 1815 Congress of Vienna had succeeded in this effort throughout the nineteenth century. But Abraham Lincoln’s forces, in defeating the British-backed effort to divide the United States in the Civil War, had unleashed a process of Hamiltonian economic transformation in the United States which was spreading through Germany and Russia, through the influence of Friedrich List and other “American System” advocates. Germany had emerged as the preeminent industrial power in Europe, while in Russia, Count Sergei Witte was organizing ties with Germany and France whose purpose was to develop the entire Eurasian land mass. Projects such as the Berlin to Baghdad railroad and the rail link to China through Russia threatened British imperial power, which depended upon control of sea-borne trade. The “geopolitical” policy of controlling the rim of the Eurasian land mass through the control of the seas was dependent on preventing the overland development of Eurasia.

Once before there had been an active threat to this British policy. During the seventeenth century, the great philosopher, scientist, and statesman Gottfried Wilhelm Leibniz had organized a “Grand Design” for the development of the entire Eurasian land mass, working with the Jesuit missionaries in China who had become close collaborators of the court and of the Emperor Kang Hsi. Leibniz beautifully described this mission, and his high esteem for Chinese civilization, in the preface to a collection of letters from China which he published in 1697, called Novissima Sinica (“Latest News of China”), which began:

“I consider it a singular plan of the fates that human cultivation and refinement should today be concentrated, as it were, in the two extremes of our continent, in Europe and in China, which adorns the Orient as Europe does the opposite edge of the earth. Perhaps Supreme Providence has ordained such an arrangement, so that, as the most cultivated and distant peoples stretch out their arms to each other, those in between may gradually be brought to a better way of life. I do not think it an accident that the Muscovites, whose vast realm connects Europe with China and who hold sway over the deep barbarian lands of the north by the shore of the frozen ocean, should be led to the emulation of our ways through the strenuous efforts of their present ruler...”

In the eighteenth century, the oligarchical forces of the Enlightenment succeeded in sabotaging this Grand Design (see EIR, May 17, 1991, “Christians Must Know What Confucius Said”). The late-nineteenth-century effort to renew the project was again undermined, this time through the British provocation of war on the continent, which became World War I. This process, and the postwar building of a new “balance of power” system through the Versailles agreement, has been discussed by Lyndon LaRouche elsewhere (see EIR, Jan. 5, 1992, “Ending ‘Versailles System’ in Vital Interest of U.S.”). In this report, I will review the contemporary analysis of this process written by Dr. Sun Yat Sen in his 1917 book, The Vital Problem of China, a profound and insightful exposure of the British strategy in provoking that war.

Sun Yat Sen on World War I

In 1917 the British manipulated China into joining the world war on the side of the Allies, soon after the United States had been drawn in. (Sun, although he had led the Revolution of 1911, which created the Chinese Republic, was, by 1917, governing only a portion of southern China, while the nation was divided among various warlords backed by different foreign powers.) Sun’s 1917 book attacking the Beijing government’s decision to join the war, predicted that the outcome of the postwar “peace conference” would entail the sacrifice of China as spoils of war—if China joined the winning Allied side! Further, he identified the fact that Germany alone among the belligerents was dedicated to scientific and technological progress, and had been the least offensive in colonial conquests.

“The alliance against Germany is the result of 10 years of strenuous efforts on the part of England,” said Sun. To Britain’s argument that Germany represented the policy that “might makes right,” and that the Allies were merely defending the weak against Germany’s aggression, Sun responded with an incisive exposure of Britain’s rape of India: “Every year England takes large quantities of foodstuffs for her own consumption from India, where in the last 10 years, 19 million people have died of starvation. It must not be imagined for a moment that India is suffering from underproduction. The fact is that what India has produced for herself has been wrested away by England.”

On British policy in China, he said: “Is it right for England to rob China of Hong Kong and Burma, to force our people to buy and smoke opium and to work out portions of Chinese territory as her sphere of influence?...” If one really wants to champion the cause of justice today, one should first declare war on England, France, and Russia, not Germany.
In this 1895 photo a student is repeating a Classical text by heart, called “backing the book.” The rigorous Confucian examination system—open to all regardless of social status—required the student to produce essays on benevolence and statecraft.

and Austria. But . . . China does not want to declare war on either side."

Sun described the historical British “balance of power” policy. After defeating the Spanish Armada in 1588, the British maintained a policy of “rallying the weaker countries to crush the strongest. . . . In order to maintain her own interests England cannot allow any country on the European continent to grow too strong, and when any country grows too strong, she must get all the other countries to join her in overthrowing that country.” For example, the late-eighteenth-century wars against France were waged “simply because France in the reigns of Louis XIV and Louis XV was the strongest country in Europe—not because England wanted to redress any possible wrongs suffered.”

The other side of this foreign policy is equally treacherous, said Sun. When another country can be useful as an ally, Britain would go to great lengths to help her, “but when that country becomes too weak to be of any use to herself, she sacrifices it to please some other country.” Sun compared Britain’s policy toward its “friends” to a silk farmer’s relations to the silkworms: “After all the silk has been drawn from the cocoons, they are destroyed by fire or used as fish food.”

Sun foresaw a postwar condominium between England and Russia, aimed at dividing the world between them. The most likely “gift” that the British would offer Russia and others for this arrangement (and to preserve British rule in India) would be—China!

This is exactly what happened. At Versailles, rather than ending colonialism as U.S. President Woodrow Wilson had promised, the powers turned Germany’s interests in China over to Japan, while expanding their own and the Russians’ spheres of influence, even though China was one of the “Allies.” As Sun had predicted: “Whether the Allies win or not, China will be Britain’s victim.”

Confucianism vs. Legalism

I will return later to Sun Yat Sen. But to understand the life and death struggle for China between Sun and the British, it is essential to view the battle from the same perspective as that of the great republican poet of the German republican movement in the late eighteenth century, Friedrich Schiller. Schiller characterized all of history as a conflict between two fundamentally opposing views of man and nature, which can be seen in the republican ideas of Solon of Athens, and the slave state policies of Lycurgus of Sparta. These are the same, opposite, world views elaborated by the republican Plato and the oligarchical Aristotle in ancient Greece.

The Platonic world view, and the Christian religion which developed within the Platonic tradition, identified mankind’s unique place in the universe with his power of reason—the “divine spark”—which distinguishes man from beast. Through this power of reason, and with free will to develop that power, man participates in the unfolding creation of the universe. The Christian concept of man created in the living image of God—imago viva Dei—locates man’s creative power in the capacity to increasingly master and apply the laws governing the powers of nature, and thus to bring “dominion over nature” (Genesis 1:26).

The Jesuit missionaries who arrived in China in the sixteenth and seventeenth centuries, bearing the scientific and cultural fruits of the Golden Renaissance, were astonished to find an ancient and extremely advanced civilization, as well as a philosophical Confucian tradition which paralleled the Platonic and Christian world view. Confucius (551-479 B.C.) and Mencius (372-289 B.C.) were nearly contemporaries of Plato and Socrates, and had made virtually identical discoveries in many areas of science, epistemology, and statecraft. The early Jesuit missionaries in China, and their close collaborator in Europe, Leibniz, who maintained extensive correspondence with the Jesuits in China throughout his life, found great joy in the discovery of the highly developed Chinese civilization, superior in many respects to civilization in western Europe. In particular, they believed that the depth and richness of the Confucian culture, and its similarity to
that of Christianity in the West, represented proof of the existence of a single God, Whose creation is governed by laws which are accessible to intelligible representation by mankind, through the use of ever self-perfecting powers of reason.

Leibniz, who wrote his “Discourse on the Natural Theology of the Chinese” in the last years of his life, characterized Confucianism as follows:

“To offend Heaven is to act against reason; to ask pardon of Heaven is to reform oneself and to make a sincere return in work and deed in the submission one owes to this very law of reason. For me, I find this all quite excellent and quite in accord with natural theology. . . . Only by strained interpretation and interpolation could one find anything to criticize on this point. It is pure Christianity, insofar as it renews the natural law inscribed on our hearts, except for what revelation and grace add to it to improve our nature.”

To Mencius, like Plato and Leibniz, God created man with a fundamental nature which is “good,” such that all men are created equal, imbued with the active potential for love and virtue. In confronting an opponent who argued that only the appetite for food and the passion for sexual pleasure were “natural,” Mencius said about the nature of man:

“From the feelings proper to it [man’s nature], is constituted for the practice of what is good. That is what I mean in saying the nature is good. If men do what is not good, the blame can not be imparted to their natural powers. . . . Benevolence, righteousness, propriety and knowledge are not infused into us from without. We are certainly furnished with them. A different view is simply due to want of reflection. Hence it is said: ‘Seek and you will find them. Neglect and you will lose them.’ Men differ from one another in regard to them . . . —it is because they cannot carry out fully their natural powers.”

The Confucian virtue of ‘jen’

The word “benevolence” is the most common translation of the Chinese word jen, which is similar to the notion of agapé in the New Testament—the higher form of love associated with love of God, love of truth, and love of mankind as a whole. This concept of jen is the essence of human virtue in the works of Confucius and Mencius.

Despite the common western portrayal of Confucianism as a rigidly stratified society, in fact, the Confucian tradition encouraged all men to aspire to virtue, scholarship, and public service, guided by this principle of jen. No one, even a lowly servant, was considered incapable of rising in stature through a self-commitment to virtue. Mencius said:

“From the want of benevolence and the want of wisdom will ensue the entire absence of propriety and righteousness; he who is in such a case must be the servant of other men. . . . If he be ashamed of his case, his best course is to practice benevolence.”

Similarly, no one was above the law of benevolence, including the emperor. The emperor, called the Son of Heaven, was responsible for the economic and moral development of the nation. Confucius quoted a sage king from the earlier Golden Age, passing on the throne to his successor: “If there shall be distress and want within the Empire, the mandate of Heaven shall be taken away from you forever.”

Such notions were clearly not in accord with the idea of power by an oligarchical elite.

The British embrace legalism

The British imperialist policy of the nineteenth and early twentieth centuries was to use drugs, war, and the control over China’s finances to impose their will over the ancient Middle Kingdom, and to destroy this Confucian moral tradition. The emergence of Sun Yat Sen’s nationalist republican cause before World War I, however, threatened this control. British support for the restorationist and warlord forces in the years following the 1911 Republican Revolution helped keep Sun out of power throughout the 1910s, but it was increasingly clear that such subservience to British looting policies was unlikely to be tolerated by the Chinese people for much longer, making Sun’s Nationalist Party a serious immediate threat. A more radical alternative—but one with the same world view as the British—was desired.

The heritage of “Legalism” provided the foundation. A reading of the works of the leading Legalist philosophers reveals an astonishing, virtually word for word, parallel to the British empiricist philosophers whose works provided the philosophical justification for Britain’s evil empire, including especially Hobbes, Hume, Bentham, Malthus, Adam Smith, Spencer, and John Stuart Mill.

These philosophical apologists for the racist and genocidal policies of the empire were each and every one employed by the British East India Company or by the British government itself. The empiricists share with the Legalists from China 2,000 years before them the view that man is a mere beast, born without any mental capacities whatsoever (Aristotle’s tabula rasa), and motivated only by the animal instincts of greed, the love of pleasure and the fear of pain. There is no “inherent good” in man, only the good of the state as defined by those in power.

The philosophical grounding for Legalism came primarily from the man known as China’s Aristotle, Hsun Tze (298-238 B.C.). Hsun Tze represented the most important of several schools that emerged in reaction to Confucius and Mencius. The conflict between the conception of man put forward by Mencius and that of Hsun Tze has been a recurring debate throughout Chinese history. Like Aristotle, Hsun argued that “learning” is at best a process of accumulating sense perceptions and reacting to rewards and punishments, by which he denied man any higher quality of reason:

“The nature of man is evil; his goodness is acquired. His nature being what it is, man is born, first, with a desire for gain. If this desire is followed, strife will result and courtesy
will disappear. Second, man is born with envy and hate. If these tendencies are followed, injury and cruelty will abound and loyalty and faithfulness will disappear. Third, man is born with passions of the ear and eye as well as the love of sound and beauty. If these passions are followed, excesses and disorderliness will spring up and decorum and righteousness will disappear. Hence to give rein to man’s original nature and to yield to man’s emotions will assuredly lead to strife and disorderliness, and he will revert to a state of barbarism.”

Compare this to Thomas Hobbes, the father of modern British philosophy, who described human society as “always a war of everyone against everyone,” in which the only way to prevent chaos is for a powerful leader to impose order, acting as a “mortal god.” Or, as Hsun Tze’s student Han Fei Tze (d. 233 B.C.), said: “To try to govern the people of a chaotic age with benevolence and lenient measures is like to drive wild horses without rein or whip.”

Compare this also to Adam Smith. Smith’s famous “invisible hand” and his free trade doctrines—which were, in fact, fanciful concoctions designed to justify his employers’ looting of the British colonial empire and their policy of forced backwardness on subject peoples—were based upon his contention that man was a beast, directed, he said, only by “original and immediate instincts: hunger, thirst, the passion that unites the two sexes, the love of pleasure, and the dread of pain.” Man’s reason is powerless over those lower passions, says Smith, and man is condemned to “apply those means for their own sake, and without any consideration of their tendency to those beneficent ends which the Great Director of Nature intended to produce by them.”

Another Legalist theoretician, Shang Yang, more than 2,000 years before Adam Smith, said: “Shame and disgrace, labor and hardship are what people dislike; fame and glory, ease and joy are what the people pay attention to.” He described “two handles” for the ruler: punishment and reward. He added: “In countries that obtain supremacy, there is one reward to nine punishments.” Describing a judicial policy which later became common practice under British colonialism (and is increasingly typical of the barbaric U.S. judicial system today), Shang argued: “Punishments have to be applied at the intent of sin, and rewards are bestowed on the denunciation of villainy, so that minor misdeeds will not escape unnoticed.”

Just as Herbert Spencer would later argue in his pseudoscientific theory of “Social Darwinism,” Shang Yang wrote in the fourth century B.C.: “If the ruler levies money from the rich in order to give alms to the poor, he is robbing the diligent and frugal and indulging the lazy and extravagant. [Poverty] must be due either to laziness or to extravagant living.” The poor were guilty of poverty. When the Legalist Ch’in dynasty took power in 221 B.C., the poor were arrested for the crime of poverty. They and their families were sent into slave-labor brigades to build the “Great Wall,” where millions died in the process.

Mencius not only rejected this degraded Legalist concept of man as a mindless beast, he polemicized against the evil dictatorial regimes which created these notions for their own ends. Speaking to a prince, Mencius said: “There are people dying from famine on the roads, and you do not issue the stores of your granaries for them. When people die, you say, ‘It is not owing to me, it is owing to the times.’ In what does this differ from stabbing a man and killing him, and then saying, ‘It was not I, it was the weapon’? . . . Is there any difference between killing a man with a sword and with the style of government?”

Mencius condemned the Legalist version of “the survival of the fittest” in a devastating indictment of the self-righteous “law and order” policies of leaders who are themselves responsible for the economic conditions that cause disorder: “They are only men of education who, without a certain livelihood, are still able to maintain a fixed heart. As to the people, if they have not a certain livelihood, it follows that they will not have a fixed heart. There is nothing which they will not do in the way of self-abandonment, of moral deflection, of depravity, and of wild license. When they thus have been involved in crime, to follow them up and punish them: This is to entrap the people. How can such a thing as entrapping the people be done under the rule of a benevolent man?”

In keeping with the contention of Smith, Hobbes, etc., that common people are incapable of being governed as men of reason, Legalist Han Fei Tze directly attacked Confucius’ argument that rulers must lead through the example of their own virtue:

“In trying to persuade rulers, scholars do not advocate the use of power which is sure to win, but say that if one is devoted to the practice of humanity and righteousness, one will become a true king. This is to expect that every ruler must be equal to Confucius and that all people in the world be equal to his (70-odd) followers. This is absolutely impossible.”

Indeed, the Legalists demanded that scholarship itself was illegal, leading to the infamous massacre of the Confucian scholars by Legalist Emperor Qin Shi-huang during his short, barbarous reign from 221 to 207 B.C. He buried 460 scholars alive, and burned all the classical texts—a few of which were lost forever. This was in keeping with the dictate of the Daoist guru Chuang Tze, who in the third century B.C. said: “Therefore I say, cut off sagesness, cast away wisdom, and the world will be in perfect order.”

Both the British empiricists and the Legalists make a point of claiming their defense of the “rule of law, not the rule of men.” This is a farce—in fact, the name “Legalist” is grossly misleading. Since there is no “natural law” in their world view, and they reject any power or truth higher than the power of the ruler, the only sense in which the Legalists support a “rule of law” is that rulers have the right to make
any laws that they please. Legalist Shang Yang said:

"Ordinary people abide by old customs, and scholars are immersed in the study of what is reported from antiquity. . . . A wise man creates laws, but a foolish man is controlled by them."

This is paralleled by the evil John Locke, whose (usually exaggerated) influence on the American Constitution was totally negative. Locke viewed political power as the "right of making laws with penalties of death for regulating and preserving property, and in employing the force of the community in the execution of such laws." Locke claimed to believe in "natural law," but he did not mean the physical and moral laws of creation which govern the universe and human society. Instead, he argued that "natural law" was nothing but the right to property and the right to inheritance! This was the law of the preservation of the oligarchical families, not the law of God.

Confucius strongly condemned the inheritance of political office, and Confucian society never allowed the rule of primogeniture, thereby hindering the establishment of powerful oligarchical family estates.

Also, as I have argued elsewhere (see EIR May 17, 1991, "Christians Must Know What Confucius Said"), the Confucian examination system functioned in Chinese history somewhat like a Constitution. The examinations were open to all Chinese, no matter what their status in society. The examinations were required in order to attain any position of social responsibility, such as government office, teaching, or civil engineering. The exams were not factual, technical regurgitations, but demanded that the applicant write, in classical poetic style, essays on the profound notions of virtue, benevolence, and statecraft contained in the Confucian classics. Thus, the examinations served as a "constitutional" effort to hold the government of the state within the precepts of morality and natural law. This is crucial to understanding the actual hatred of Confucian society held by Bertrand Russell and other British agents, as we shall now examine.

The 'West' means 'British'

One of the earliest contributions to the British effort to create a Legalist and Daoist-style movement in China, leading ultimately to the creation of the Chinese Communist Party, was the training of an agent-of-influence in the 1870s. His name was Yen Fu, a young scholar who was sent to England in 1877. He was assigned the task of translating the critical works of the British empiricists. The purpose of this project was not only to inundate the young intelligentsia of China with hedonistic, irrationalist dogma, but also to portray to the Chinese the false impression that this British, Aristotelian philosophy was one and the same with "western thought," and, in particular, that this ideology had been the basis of the development of modern science and modern industrial economies. In other words, there was no such thing as Platonism, Augustinianism, republicanism, etc., except

Sun Yat Sen (1866-1925), China's foremost republican leader, whose statecraft combined the Confucian moral tradition, Christian humanism, and the American System of Political-Economy.

China's premier philosopher Confucius (551-479 B.C.) was nearly a contemporary of Plato. The moral tradition he established was the target of British cultural warfare.

Gottfried Wilhelm Leibniz (1646-1716) believed that the profound similarity between Confucian culture and Christianity proved the existence of a single God.

Abraham Lincoln (1809-65). Sun Yat Sen based his Three Principles of the People on Lincoln's Gettysburg Address, which called for government "of the people, by the people, and for the people."
as diversions from the “true western path” of free trade libertarianism as practiced by the British Empire.

The perpetuation of this myth is evident in the biography of Yen Fu written by one of the leading Anglo-American China scholars, Benjamin Schwartz. Schwartz admits that Yen Fu’s knowledge of western languages was limited to English, and that he was a fanatical follower of the Social Darwinist theories of Herbert Spencer—and yet he claims of Yen Fu: “He is the first Chinese literatus who relates himself seriously, rigorously, and in a sustained fashion to modern western thought” (emphasis added). Schwartz even attempts to justify the fact that Yen Fu was among the millions of Chinese who “benefitted” from the one real contribution the British gave to China, namely, opium. Schwartz argues that Yen Fu’s lifelong opium addiction “symbolizes that quietist mystical strain in Yen Fu’s outlook which was to remain the obverse side of his religion of wealth and power.”

Yen Fu was explicitly hostile to Judeo-Christian theism, as well as Confucianism, in favor of Daoism and Buddhism. He (correctly) said that “only the views of Lao Tze (the founder of Daoism) are compatible with the views of Darwin, Montesquieu, and Spencer,” and he wrote 77 commentaries on Lao Tze’s writings. He labeled Confucianism as “authoritarian,” while the irrationalist mysticism of Daoism he described as “democratic.”

Most important for our purposes here is that Yen Fu, whose essays and translations became the basis of study of some other part of the world, to lend credibility to its claim to universality.” Second, it was to serve as the “respectable authority” which proved that China’s failure to develop economically was unrelated to the century of looting, murder, drug pushing, and control by western banking interests. Instead, he argued, it was entirely due to Confucianism!

Weber’s thesis in his famous The Protestant Ethic and the Spirit of Capitalism was that the Calvinist “decoupling” of social morality and responsibility from one’s personal life made possible the rise of modern industrial society. It was a pure Social Darwinist view, that brutal competition in the service of personal greed was the essence of man’s identity, and that society should thus put no limits or restrictions on the pursuit of the personal accumulation of money. He assigned three qualities to the “spirit of capitalism”: 1) the acquisition of money is an end in itself; 2) personal gain should be pursued without limit; and 3) hard work is a duty and a moral obligation.

Weber found the irrationalist and immoral teachings of Daoism and the Legalists quite in keeping with his notion of “the West,” and argued that they were the best hope for China’s future. As to Confucianism: “The substantive ethical law that dominated in traditional China was a clearly negative influence on capitalist development.” The strong family ties of Confucianism also restrained the unbridled greed needed for capitalism, said Weber, by “discouraging individualism and independence.”
The primary problem, according to Weber, was that there was not enough warfare in Chinese history:

"The early unification of the Chinese empire, which brought centralization of civil and military administration under a national bureaucracy, caused the substitution of peace and unity for rivalry and conflict between feudal states, and meant the removal of competitive pressure for the rationalization measures needed."

Compare this to the Legalist Shang Yang, who argued that a poor state will become strong through wars, and a rich state will become weak if it does not wage war.

Weber totally ignored the fact that Chinese civilization was generally more advanced than western civilization for the 2,000 years of history preceding the Renaissance, with a higher population density, higher productivity and standard of living, comparable scientific advances, and a higher literacy rate than the pre-Renaissance West. In fact, he directly blames the general peace, progress and unity of the nation for its later lack of peace, progress and unity!

He did, however, find several “positive” aspects of China’s early twentieth-century existence:

“In the modern period we find neither compulsory schooling nor military service. There are neither laws restraining usury nor any similar legal restriction to trade... This state of affairs would seem to be very favorable to the free development of profitable, bourgeois enterprise.”

As with the “shock therapists” of today, Weber claimed that the failure of these “favorable” policies to bring prosperity was entirely due to the “structure of the state” restraining the “magic of the marketplace.”

Weber is shown to be nothing but an apologist for British imperial policies: unrestricted looting and the maintenance of forced backwardness in the population. Alexander Hamilton, 125 years earlier, had thoroughly refuted such insane pretensions that the wanton degradation of the population could somehow encourage real development. Mencius, 2,000 years earlier, had shown that Weber’s entire argument for the need to “decouple” moral questions from the quest for wealth and power was doomed to fail:

“There is a nobility of Heaven, and there is a nobility of man. Benevolence, righteousness, self-consecration, and fidelity, with unwearied joy in these virtues—these constitute the nobility of Heaven. To be a duke, a nobleman, a minister of state—this constitutes the nobility of man. The men of antiquity cultivated their nobility of Heaven, and the nobility of man came to them in its train. The men of the present day cultivate their nobility of Heaven in order to seek for the nobility of man, and when they have obtained that, they throw away the other. Their delusion is extreme. The issue is simply this, that they must lose that nobility of man as well.”

Weber’s attack on the Confucian (and Christian) moral foundation of society quickly became the standard for all western scholarship and political analysis of China. The next task was to force the same anti-human world view on the

Chinese intelligentsia, already inundated with the Enlightenment philosophers and economists whose works had been translated by Yen Fu and others. The largely British- and American-dominated universities of Beijing and Shanghai were the centers for this effort, which reached its peak in the years following the 1919 Versailles Treaty, during the revolt of Chinese youth known as the May 4th Movement.

**The British target: Sun Yat Sen**

Before discussing the May 4th Movement, I will return to Dr. Sun Yat Sen, whose ideas and political organizations were the primary target of the British philosophical and cultural warfare against China. Sun, like Lyndon LaRouche today, embodied in one man both an uncompromising republican political leader, and a philosophical and scientific genius capable of profound creative discoveries. A review of his epistemology and his writings in political economy will demonstrate why the British were so desperate to stop him.

Dr. Sun Yat Sen was both a Christian convert and a follower of the “old morality and old learning,” as he referred to the Confucian classics. Like Leibniz and Emperor Kang Hsi before him, he was profoundly conscious of the close identity between the universalizing truths at the core of both teachings, while endeavoring to live his life in the imitation of Christ. At his funeral in 1925, the eulogy quoted Sun’s own words about Christ: “He came to save the poor, and the unfortunate, and those in bondage. So have I also tried to do. He decried the tradition maintained by the lawmakers of Judea, and pleaded for universal brotherhood. It is because of similar shackles that bind China that I have made my crusade.”

This world view marked Sun as the preeminent enemy of the Anglo-American cultural offensive. His economic and political policies flowed from this conception, based on a thorough rejection of both Marxism and British free trade dogma, as immoral, historically discredited, and epistemologically false.

The 1911 Republican Revolution led by Sun failed to consolidate a unified republican government. By the late 1910s, Sun was governing only a small portion of southern China, while the nation was increasingly breaking into autonomous regions under various warlords. Sun authored four programmatic books on national reconstruction at that time, just preceding the signing of the World War I Versailles Treaty in 1919. These four were on the *Psychological Reconstruction of China; The Social Reconstruction of China; The Material Reconstruction of China; and The Political Reconstruction of China.* (The first is known today as The Memoirs of a Revolutionary; the second as The International Development of China; and the last as The Three Principles of the People, which was not completed.) In these texts, he identified the necessity to break the psychological dependence of the Chinese on both the ancient Daoist form of irrationalism, and on the equally immoral libertarianism introduced from
the West. He believed that the superior level of morality of the Confucian world view within China explained why Mongol and Manchurian invaders, even after conquering China, were themselves assimilated into Chinese culture, rather than their inferior culture having been imposed upon the Chinese.

He viewed the emerging counterculture called the “New China Movement,” which was soon to explode during the period called the May 4th Movement, following the 1919 Versailles treachery, as a great danger to the chances of China’s survival. Sun said: “A group intoxicated with a new culture have begun to reject the old morality, saying that the former makes the latter unnecessary. . . . [They say] there are no princes in a democracy, so loyalty is not needed and can be cast away.” Thus, Sun warned, they would also throw out loyalty to the nation and to the people. Such a form of extreme democracy, grounded, he said, in the teachings of Rousseau and J.S. Mill, would make the 400 million Chinese “like a sheet of loose sand,” easily shifted about and manipulated, and unable to unite as a nation to carry out the task of development.

Sun strove to recruit the best of the student movement away from the “counterculture” and into his fight for republican principles. One participant in these efforts, Lo Chia-lun, wrote:

“With great attention and maximum enthusiasm, he recruited those youths who who had taken part in the May 4th Movement. Each time he was interviewed by the student representatives of Peking, he would talk with them for three or four hours with increasing energy and spirit.”

In *The Psychological Reconstruction of China*, Sun identified the primary problem in the Chinese ideology as that mode of thought which taught that “knowledge is easy, but actions are difficult.” Although Sun accredited this notion to the pre-Confucian scholar Fu-Kueh, he was also directly challenging the influence of “pragmatism,” which was being introduced into China by the “New China” followers of John Dewey—in particular, Dewey’s former student at Columbia University, Hu Shih. Dewey’s theories not only substituted British “utilitarian” notions for the concept of truth, but explicitly insisted that one learns only by “doing,” a sort of Social Darwinist version of dog-training for human beings. One of Dewey’s more famous followers, whose name was “Zhi-xing,” meaning “know-do,” reversed his name to read “Xing-zhi,” or “do-know.”

Thus Sun’s insistence that knowledge is primary was a polemical attack on the irrationalism of pragmatism, while also demonstrating that this was not in fact a “modern western concept,” as some youths believed, but rather a corrupting influence found in any culture—East, West, ancient, or modern—in opposition to the universal truth found in the power of reason. Knowledge was primary, and with Sun, as with Confucius and Mencius, knowledge was governed by morality, love, and justice.

**Adopting Hamilton and Lincoln**

Sun’s model for development, and for the structure of a republican government necessary to carry out that development, came directly from the United States—in particular, from Alexander Hamilton and Abraham Lincoln. He polemicized against the extreme personal liberty preached by Thomas Jefferson and his Enlightenment mentors, showing...
that America’s strength grew from Hamilton’s successful fight for a strong federal government committed to great infrastructure projects and protection against British “free trade” efforts to destroy the new nation. He knew that the term “western science” was not a homogeneous notion, and identified the source of true scientific progress as that current centered in Germany which believed man must “usurp the powers of nature, and do what natural forces have done.” He denounced that school which, following Darwin, “began to treat morality, love, justice, and friendship as a mirage, and to regard the law of the struggle for existence as the reality. They even want to apply these laws of the animal world to mankind,” he warned.

Sun’s famous Three Principles of the People were inspired by Abraham Lincoln. Quoting the passage from the Gettysburg Address lauding “government of the people, by the people, and for the people,” he identified national sovereignty (of the people), a democratic republican form of government (by the people), and a constitutional commitment to the betterment of the people’s livelihood (for the people) as the fundamental principles governing his proposed republic. Human progress, he argued, was driven by a law of social progress defined by man’s increasing mastery of nature, not by the Hobbesian notion of man battling for survival, one against another. As for Karl Marx, Sun recognized that Marxism was merely a variation on British “survival of the fittest” dogma, meant to keep people and nations at war with one another while an oligarchy ruled over the disorder. Sun wrote:

“Class war is not the cause of social progress, it is a disease developed in the course of social progress. What Marx gained through his studies of social problems was a knowledge of diseases in the course of social progress. Therefore, Marx can only be called a social pathologist, not a social physiologist.”

Britain’s primary target was Sun’s Grand Design as presented in The International Development of China. The British aim in World War I was to prevent the unified development of the Eurasian land mass. Sun proposed precisely that kind of project, not only for China’s benefit, but, as Sun warned, as the only means by which the West could prevent the emergence of a new world depression and a new world war, “greater and more terrible than the one just passed.” His advice was not heeded, and his warning was borne out.

Bertrand Russell and the May 4th Movement

When the Versailles Treaty confirmed Sun Yat Sen’s most dire warnings about the British intentions to preserve and extend colonial power in China, the Chinese exploded in rage. A student revolt, similar to the Beijing Spring of 1989 that ended in the June 4 massacre at Tiananmen Square, spread from Beijing University throughout China. This uprising, launched on May 4, 1919, and the political movements of the following few years are known to history as the May 4th Movement. The potential that this movement would lead to a republican nationalist upsurge in support of Dr. Sun and his ideas was considered a serious threat to the British-led colonial powers.

To meet this “threat” required, primarily, cultural warfare. To this end, Britain deployed into China the man known as the most evil figure of the twentieth century, Bertrand Russell. He was joined by the founder of the American school of “Pragmatism,” John Dewey, whose life’s work was the destruction of classical education. Dewey doubled as a journalist and promoter of the policies of the Anglo-American banking houses running the rape of China—in particular, for his friends at the House of Morgan.

Russell and Dewey, in China during the crucial 1919-21 period, together led the effort to turn the May 4th Movement away from the republican principles of Dr. Sun Yat Sen. The writings of both had already been translated and widely circulated in China during the 1910s. From their classes in Beijing and Shanghai emerged the core leadership of a communist movement.

Sun Yat Sen had drawn on the best of the humanist traditions in both Chinese Confucian culture and western Christian culture, while rejecting the opposing oligarchical traditions of Aristotelianism and Legalism. Russell and Dewey did exactly the opposite. Confucianism and Christianity were blamed as the cause of backwardness in China, while Russell and Dewey insisted that any progress would depend upon the adoption of the libertarian, free trade dogma of the British radical philosophers, and the return to the “pragmatic” form of government of the Legalists.

Russell was sponsored on his trip by the “Anti-Religion Society,” arriving immediately following a tour of Russia. While formally critical of some aspects of the Bolshevik leadership in Russia, he praised their organization and their purpose, while introducing Marxist and Leninist ideas to China through his classes. He argued that although Bolshevism could not prevail in western Europe, it could be usefully applied in China at its current stage of development. (Mao’s later disagreement with Russell was limited to which tactics were best suited for the implementation of communism in China.)

A review of Russell’s main points from his book The Problem of China, written in 1922, will demonstrate his method.

Russell openly espoused the racist, colonialist notion of the “noble savage”—that the backward natives of colonial nations are actually far better off in their backwardness, without being subjected to the evils of scientific and technological development. British rule over these backward nations was considered an unwanted but necessary task—the “white man’s burden.”

Said Russell: “Chinese officials are, as a rule, corrupt and indolent, so that control by foreigners is necessary in creating a modern bureaucracy, and to prepare the way for
the creation of an efficient Chinese state.” Also: “Instinctive happiness, or joy of life, is one of the most important ... goods that we have lost through industrialism; its commonness in China is a strong reason for thinking well of Chinese civilization. ... Progress and efficiency, for example, make no appeal to the Chinese, except to those who have come under western influence. By valuing progress and efficiency, we have secured power and wealth; by ignoring them, the Chinese, until we brought disturbance, secured on the whole a peaceable existence and a life full of enjoyment.”

Compare this to the Legalist Han Fei Tze, who argued that the people would be happy if they “did not encumber their minds with knowledge,” and that if farmers “have no opportunity to hear of changes, then they will have no opportunity to discard old ways, and stupid farmers will not become clever, nor will they become fond of study, and they will apply themselves energetically to agriculture.”

Russell, in fact, like Mao Zedong after him, pointed to the reign of terror under Legalist Emperor Ch’in Shi-huang as the model for any successful revolutionary change. Ch’in, said Russell, had “ended feudalism,” although it required burning the Confucian classics and burying alive the Confucian scholars. This barbarism was necessary, said Russell, quoting from a Chinese historian, because, “No radical change can take place in China without encountering the opposition of the literati. This was no less the case then than it is now. To abolish feudalism by one stroke was a radical change indeed... Something had to be done to silence the voice of antiquity.”

Ch’in, said Russell approvingly, was “something of a Bolshevik.”

His hatred of Confucianism as an obstacle to the imposition of Social Darwinism permeates Russell’s writing on China. “There is one traditional Chinese belief which dies very hard,” he wrote, “and that is the belief that correct ethical sentiments are more important than detailed scientific knowledge.” Such “ethical sentiments,” said Russell, are “pre-Benthamite.” Reflecting this Benthamite (and Legalist) view, Russell said:

“The Chinese have not yet grasped that man’s morals in the mass are the same everywhere: They do as much harm as they dare, and as much good as they must.”

On the Confucian insistence on strong family relations, the homosexual Russell became absolutely livid: “Filial piety and strength of the family generally are perhaps the weakest point in Confucian ethics, the only point where the system departs from common sense.” Of course, Russell argued that large families were the root of all problems in China: “In the long run, if the birth rate is as great as is usually supposed, no permanent cure for their poverty is possible while their families continue to be so large. In China, Malthus’s theory of population... finds full scope.”

Russell openly espoused the ideology of Daoism, the teachings of Lao Tze and his followers who rejected God and reason in favor of an irrational belief in magic and a bestial conception of man. He praised the heshychasm of Daoism as the source of what is great in China:

“Their pacifism is rooted in their contemplative outlook, and in the fact that they do not desire to change whatever they see... They have not the ideal of progress which dominates the Western nations.”

His hatred of Confucian morality was matched by his effort to slander that which is truly superior in western culture: the Christian view that man is created in the image of the living God, as expressed at its highest in the fifteenth-century Christian Renaissance in Italy. Said Russell: “Our superiority in civilization is a mere delusion. Our histories which treat the Mediterranean as the center of the universe give quite a wrong perspective.”

Russell explicitly insisted that British policy toward China must be to maintain direct British control as long as possible, while creating a Bolshevik-modeled opposition as a contingency, in order to prevent any Chinese alliance with either Germany or Japan, or with republican interests in the United States. He denounced Germany as seeking hegemony over the whole world, and Japan as seeking hegemony over Asia. If the U.S. were to rule Asia (outside of British control), he said, there would be “a shell of freedom, but bondage beneath it.” Only Bolshevik Russia, he argued, could “secure some real freedom for China... The hegemony of Russia in Asia would not, to my mind, be in any way regrettable.”

In the meantime, Russell proposed that “China needs a period of anarchy in order to work out her salvation.” The British, he argued, would oblige by maintaining their control of the customs, extraterritoriality, etc., during this period of anarchy.

**Dewey: pragmatism and the House of Morgan**

Dewey’s most famous Chinese student, Hu Shih, expressed the essence of Dewey’s axiomatic assumptions when he argued that there are only two methods of thought for modern times: pragmatism and dialectical materialism. While Dewey argued for pragmatism over Marxist dialectical materialism, it is the false assumption that man must choose between these two (fundamentally equivalent) methods which defines the evil of Russell and Dewey. Sun Yat Sen had already identified these two methods as merely opposite sides of the same coin, since both utterly rejected the humanism of Plato, of Christianity, of Confucianism, and of Leibniz and his followers in the modern age. Both are “materialist” in nature, rejecting any connection between economic science and morality, and thus reducing reason to a secondary role in human development, or denying its existence altogether. Both regard man as a beast, and reduce science to the quackery of Social Darwinism.

As mentioned earlier, Sun Yat Sen’s primary polemic in his 1918 *Psychological Reconstruction of China*, that “To know is difficult, to act is easy,” was a direct refutation...
of Dewey's "pragmatism." To Dewey and his followers, "scientific method" meant the elimination of human reason and natural law from scientific inquiry, adopting instead a purely mechanical and statistical description of phenomenon. Dewey's disciple Hu Shih, like the Legalists, defined "truth" as totally relative, to be adopted at the whim of those in power. Said Hu: "Truth is created by and for the use of man. . . . An idea which had fruitful consequences was called truth in the past. If it has been useful, it is still called truth today."

This British "utilitarian" view, which parallels the Legalist notion that the law is purely determined at the discretion of those in power, naturally rejected the moral outlook of Confucianism. Hu Shih launched a campaign to "overthrow Confucius and Sons." He explicitly argued that the imperialist destruction of China was not to blame for the sorry state of modern China, but that the Chinese must blame themselves.

Hu also provided his services as interpreter and guide to Margaret Sanger, the racist guru of malthusian "birth control," when she made a tour of China in 1922. Upon her return, Sanger wrote in the New York Times that her trip had been successful in "awakening China to the need of selective methods." Calling for support for her efforts in Asia, she wrote: "The menace of indiscriminate immigration, the fertility of the unfit and the increasing burden upon the healthful and vigorous members of American society of the delinquent and dependent classes, together with the growing danger of the abnormal fecundity of the feeble-minded, all emphasize the necessity of clear-sightedness and courageously facing the problem and the possibilities of birth control as a practical and feasible weapon against national and racial decadence."

Although Hu, Dewey's leading epigone, never joined the Communist Party, his iconoclastic rejection of Confucianism and Christian morality contributed considerably to the intellectual decay during the May 4th Movement that led to the creation of the communist movement. The youths were sincerely inspired by the May 4th demand that "Mr. Science and Mr. Democracy" must become the leaders of China, but the character of these noble concepts was systematically warped by the influence of those like Russell and Dewey: "Science" became British and Social Darwinism, devoid of the actually scientific method of hypothesis, and "democracy" was stripped of any republican content, becoming merely iconoclastic (and easily manipulated) demands for anarchistic forms of freedom.

Chen Duxiu, the editor of a leading May 4th Movement journal, and later the founder of the Chinese Communist Party, wrote in 1919:

"In order to advocate Mr. Democracy, we are obliged to oppose Confucianism, the codes of rituals, the chastity of women, traditional ethics, and old-fashioned politics; in order to advocate Mr. Science, we have to oppose traditional arts and traditional religion; and in order to advocate both Mr. Democracy and Mr. Science, we are compelled to oppose the cult of 'national quintessence' and ancient literature."

Similarly, Hu Shih expressed his subservience to British empiricism: "My thought is influenced mainly by two persons; one is Huxley, the other is Mr. Dewey. These two make me understand the character and function of scientific method."
This notion of “scientific method” goes to the core of the British creation of the communist movement. Although both Russell and Dewey (and Hu Shih) were personally denounced as “bourgeois” by the Communist Party ideologues in later days, they represented the primary thrust of the cultural warfare against China. By destroying the cultural view of man in the image of the Creator, as inherent in the Confucian and Christian world view, and replacing it with a view of man as a beast driven by greed, the basis was established for the emergence of the Communist Party, class warfare, and Maoist forms of materialism.

This is not to say that Russell, Dewey, and others involved in this cultural warfare against China did not play a more direct role in creating communism with a Chinese face. Russell was an open protagonist for Bolshevism, retaining only a slightly critical stance in order to retain his freedom of action. Dewey, despite his professed criticism of Communism, was, as we shall see, a leading protagonist for the Morgan banking interests, who were among the primary sponsors and financiers of communism in the West.

The Communist Party emerges from the swamp

By the time of the 1919 Versailles Treaty and the beginning of the May 4th Movement, a “Marxist Research Society” had already been founded at Beijing University, in the wake of the October Revolution in Russia. The participants, including Mao Zedong and party founder Chen Duxiu, were already professed advocates of the Aristotelian branch of western thought, having been indoctrinated by Yen Fu’s writings and translations. Mao, for instance, had read Yen Fu’s translations of J.S. Mill, Adam Smith, Darwin, Montesquieu, Rousseau, and Spencer (while also specializing in the works of Immanuel Kant).

Chen Duxiu had similar training. He had edited a magazine, New Youth, since 1915, which popularized these ideas while attacking Confucianism. Chen was an explicit advocate of Romanticism, as against the Classical tradition. Said Chen: “Rather than just imitate the ancients, romantic writing attempts to depict man’s condition and describe his spirit.” Historian Lee Ou-fan Lee, speaking about the May 4th Movement, wrote: “It is perhaps not too far-fetched to say that a whole century of European Romanticism was squeezed into one generation in China.” He added that those who called the May 4th Movement the “Chinese Renaissance” were mistaken—that this was purely a Chinese version of the Romantic reaction to the Renaissance.

Mao and Chen professed a great indebtedness to the teachings of John Dewey and especially Bertrand Russell, although they later attacked them. Biographer Lee Feigon described Chen’s world view:

“He echoed Russell’s assertion that people who want to influence the masses also must be prepared to adapt their thinking to that of the people. They cannot, he pointed out, expect the masses to change by preaching elegant thoughts to them; if so, Confucius would have saved the world a long time ago.”

The cultural structure of the Communist Party

The purpose of this report is not to detail the process by which the Chinese Communist Party came into being, but to trace the cultural environment in which that process took place. The ultimate victory of the British intelligence service in China, led by the Bertrand Russell circle, is evident by the “New Dark Age” that emerged in China under communist rule, reaching a peak under the reign of terror known as the Great Proletarian Cultural Revolution from 1966-76. It is there that the pure evil of Russell’s view of man was carried to its actually satanic realization: the destruction of the family as demanded by Russell, with children coerced to condemn their parents for crimes such as the pursuit of Classical learning (either western or Chinese); the destruction of advanced learning, as the schools were shut down and students sent to the country to “learn from the peasantry,” in keeping with Dewey’s dictate to “learn by doing”; malthusian policies of birth control, with the initiation of the policy of limiting the number of children permitted each family; and so on. Mao’s cohorts even carried out an “Anti-Confucius Campaign” against intellectuals and the Classics, praising the infamous tyrant Ch’in Shi-huang for burying the Confucian scholars alive. Said Mao: “Emperor Ch’in buried alive only 460 scholars; we have buried 46,000 scholars. But haven’t we killed counter-revolutionary intellectuals?”

The bankers who funded the communists

During the late 1910s and into the mid-1920s, the official economic and foreign policies of China were run almost entirely by the British and American bankers who led an International Banking Consortium, which had been set in motion in 1917. This was, in fact, an entirely British-run operation, with the U.S. side dominated by the pro-British House of Morgan. The consortium functioned toward China in much the same way the International Monetary Fund functions toward the Third World today—it controlled all credit to China, imposed both economic and political conditions, and used its power to prevent private or competing interests from investing in China outside of the consortium’s control. This much is well documented in many historical accounts.

What has been generally unreported is that the individuals involved in running the consortium were also among the primary financial sponsors of the international communist movement, including in the U.S. itself.

The two leading figures in the consortium were Thomas A. Lamont, manager of the American Group of the consortium, and chief partner of the J.P. Morgan Co. in New York; and Sir Charles Addis, manager of the British group of the consortium and manager of the London branch of the Hong-kong and Shanghai Bank, which was the controlling institu-
tion of British colonial policy in China, and the central bank for the world drug traffic. These two directed a series of operations to destroy the republican forces directed by Sun Yat Sen, whom they correctly viewed as the primary threat to British imperial power in Asia. Their simultaneous sponsorship of a communist movement was not new to them—in Russia, Lenin and the Bolsheviks had been cultivated by the same Anglo-American interests as an option to subvert the potential alliance between nationalist interests in eastern and western Europe.

Although the consortium was a political entity, created by governments (Britain, the U.S., Japan, and France), it was effectively run by the British/Morgan banking oligarchy. Efforts by other interests in the United States, which were more involved in the real development of China and of U.S. industry, to represent the U.S. on the consortium, were shut out by the Anglophiles at the House of Morgan. Morgan’s crucial role in bringing the United States into World War I was effectively run by the British/Morgan banking oligarchy.

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Both Sir Addis and Thomas Lamont were sons of Protestant clergymen. Lamont adhered to the Calvinist (and Legalist) belief that wealth was a God-given virtue, regardless of the evil means of its acquisition, as exemplified in his credo: “Be good and you will be successful” (although the inverse was clearly his intended message). Willard Straight, the other key American figure in running China for the Anglo-Americans, said that Lamont was “one of the most honorable of the Wall Street bankers.”

Straight himself had held the “honorable” position of assistant to Sir Robert Hart, the director of the Chinese Imperial Customs Service from 1865 to 1908. Hart was the equivalent of London’s colonial governor general of China, using his continually increasing power over all major sources of taxes, and mail and customs revenues to assure that the vast reparations and debts imposed on China by the British were paid in full, with the scraps left over passed on to Beijing. Straight worked for Hart from 1901-12, when he became a Morgan partner and the firm’s Far East expert. In 1914 an American industrial group called the American International Corp. (AIC) threatened to move independently of the British to develop the infrastructure of the Chinese economy, and to support Sun Yat Sen in the south of China. Straight was deployed into this group by Morgan, succeeding in subverting their policies, such that they fell into line with Morgan’s intentions.

The AIC had been organized by Woodrow Wilson’s minister to China, Paul Renish, and National City Bank President Frank Vanderlip. They were planning projects in flood control, reconstruction of the Grand Canal, oil exploration, and dock construction, and had proposed standardization of the various rail systems under a common gauge.

With Straight’s help, Lamont succeeded in sabotaging this effort by 1917, using the growing wartime pressure on the United States. Lamont was put in charge of the International Banking Consortium, and immediately he and Sir Charles Addis imposed new loan conditions which took control over all customs and salt revenues, as security on the debt. Sun Yat Sen responded by seizing the salt administration in the southern region under his control, winning the hatred of the colonial lords of the House of Morgan.

In the month preceding the Versailles treachery, Sun was engaged on two fronts to break the British control over China, hoping to bring in non-Morgan interests from the U.S. for joint development efforts. One was the unified national transport system. The Beijing government and Sun’s government in Canton met in Shanghai in April 1919, with representatives of Renish’s American International Corp. Sun asked the AIC, rather than the consortium, to manage any securities pledged for the necessary development loans. At the same time, during the spring of 1919, Sun published his brilliant plan for The International Development of China, with detailed proposals for the development of rail, water, power, agriculture, and industry. He presented a copy to Renish, who assigned his commercial attaché in China to study it and to discuss its implementation with Dr. Sun.

The following month, in May 1919, the infamous Versailles Treaty was signed. President Wilson stabbed China in the back by agreeing to the British demands to preserve the colonial spheres of influence, including turning German-controlled areas over to Japan rather than returning them to Chinese control.

**Straight and Lamont: ‘Morgan’s apostles to the left’**

Both Thomas Lamont and Willard Straight had, during the 1910s, while running China from their Morgan board rooms, established themselves in the U.S. as the primary Wall Street sponsors of leftist causes, and, in some cases, of Communist Party organizations. Historian Carroll Quigley called Lamont and Straight “Morgan’s apostles to the left,” in a period when Morgan had internationally deployed senior partners into political parties and movements of both the left and the right. Lamont’s son, Corliss, with his father’s approval, became the most famous patron of the Communist Party, U.S.A.

Straight had married into the enormous wealth of the Payne and Whitney families. While still a senior partner at Morgan, Straight, together with his wife Dorothy, founded the New Republic magazine in 1914, as a journal for promoting left and “progressive” causes, intended to mold them to the purposes of the Morgan/British interests. As Quigley points out, even Straight’s paid biographer admits that his purpose was to use the “leftist” New Republic as a “medium for advancing certain designs of such international bankers, notably, to blunt the isolationism and the anti-British sentiments so prevalent among many American progressives.” Straight also had a son, Michael, who established himself as
a leading sponsor of leftist and communist causes, both in England and the United States.

While Straight and Lamont were running Morgan’s (and the U.S. government’s) policies in China, and simultaneously sponsoring communism in the West, John Dewey was brought onto the Straits’ journal, the New Republic. Dewey wrote articles for the New Republic nearly every week throughout his years in China. The following samplings from these articles sheds light on the close connection between the Morgan/British banking interests, the Russell/Dewey cultural warfare, and the effort to destroy Sun Yat Sen’s republican movement:

- **Sept. 10, 1919.** Knowing that nearly the entirety of China’s revenues were taken by the British controllers of China’s tax and customs houses, Dewey nonetheless argued that the miserable state of the social services in China was due to overspending on defense: “Leaving payments for interest on the national debt out of account, China spent about twice as much for military purposes as for all other ends put together . . . six times as much as was spent for public education.” Again without mentioning the intense looting of China’s revenues to pay foreign indemnities, Dewey penned: “The expenses of China exceed its available income by $120 million a year. . . . Cut down the army by one-half and China’s accounts balance.”

- **April 13, 1921.** Dewey openly defended Lamont and the International Banking Consortium policy to deny China any loans, either from the consortium itself or from any other source. The American representative, Mr. Lamont, Dewey stated with praise, “disclaimed any great desire” to make any loans to China. As to other loans, especially from Japan, Dewey continued: “If a blockade or embargo can be established for even five years upon predatory foreign loans to China, the Consortium meantime doing nothing, a precedent may be established which will make such loans difficult, if not impossible, in the future. The effect may be to throw China back upon her own resources. The best thing that could happen to China would be for her to be put on a starvation diet for a while and to have to face her own problems with her own capacities. . . . The Consortium may succeed even if it fails—fails, that is, to make a loan.”

In the same issue, Thomas Lamont replied:

“Please accept my thanks for permitting me to read in advance John Dewey’s article ‘The Consortium in China.’ I am interested to see that he treats the situation from such an excellent perspective. . . . I am in thorough accord with him. We want to do away with the old system of feeding out money to China for wasteful purposes. The banking groups have not the slightest anxiety to make any loans to China. Permit me to take this opportunity to congratulate you upon the series of most illuminating articles on the Far East that you have published by Professor Dewey’s pen.”

The consortium lived up to its promises, providing no productive loans, while blocking any independent develop-

ers—either Japanese or western—from gaining access to China. In fact, Lamont and Sir Charles Addis were, by 1922, in their dual capacities as government representatives and private bankers, extending loans to provincial authorities for local railroads, independent of either the northern or southern governments. These railroads, of course, maintained the diversity of rail gauge, thus further contributing to the division of China. Addis then extended $500,000 to a southern warlord, Gen. Chen Chiung-ming, who had promised to drive Sun Yat Sen out of Canton, which he temporarily succeeded in doing.

By 1923 the United States, under Morgan’s direction, was acting in full accord with the British on China policy. Together, they proposed a permanent international commission with control over all China’s revenues and expenditures. Lamont proposed the permanent dismemberment of China, into “autonomous provinces organized by the people, and the creation by them of an entirely new central government to maintain merely foreign relations”!

With this total abandonment of China by the United States, Sun gave up on obtaining any support from that nation whose republican tradition had inspired his own development. He moved to form alliances with the other major forces in the nation, while accepting support from the new Soviet Union in building an army and a new centralized structure for his Nationalist Party. This support came with the condition that he accept members of the Communist Party into his Nationalist Party, which forced Sun to compromise with his own warnings against those who, “intoxicated with a new culture, have begun to reject the old morality.” Later, after Sun’s death in 1925, the Communist Party turned against the Nationalists, provoking two more decades of civil war.

The policy of Bertrand Russell and his fellow British lords to poison and destroy Sun’s republican forces was implemented, and eventually carried out, as a combined deployment by their banking houses and their communist creation. It is the same combination still today enslaving China, as the Communist Party imposes with an iron fist the transformation of the coastal areas into twenty-first-century versions of the booming nineteenth-century colonial centers of cheap drugs, cheap labor, and wild speculation, while the heartland of the nation decays. Unless the leadership of that great nation is returned to those who value life and human freedom as precious and inalienable gifts of Heaven to each and every citizen, then China will likely fall prey yet again to the “Legalists” of today who rule the crumbling Anglo-American empire.

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