

## CHINA-U.S. RELATIONS

# Revive the Spirit of FDR To Bring the World Back from the Brink

by William Jones

*The following is an edited transcript of the presentation by EIR China scholar William Jones on the Dec. 18 broadcast of The LaRouche Organization's Manhattan Project Meeting. The full video of the meeting is available [here](#).*

It's quite clear that we have been lucky, so far, in getting through the year 2021 without some kind of a military conflict between major powers, given the increasing tensions in both the European and Asian theaters.

Remember back to the Cuban Missile Crisis, when the then-Soviet Union was intent on placing nuclear missiles 150 miles off the coast of Florida. Of course, that was absolutely unacceptable to the United States, and there was the danger that we would go to war with the Soviet Union if it did not back off from this *very* provocative measure. We had intelligent diplomacy at that time, and as a result the Soviets did back off, making a secret deal that the U.S. would also remove its missiles from Turkey, near the Russian border. War was avoided.

Think back on that, look at what's happening on the Russian front today. Were Ukraine to become a part of NATO, or even if Ukraine were armed to the extent that some people in Congress are saying it should be, you would have missiles on Ukrainian soil, which could reach central Russia.

Similarly, in the Pacific area, if Taiwan were to become a part of a defensive alliance with the U.S., the missiles that would be placed there would be about 150 miles off the coast of China, similar to the Cuban Missile Crisis.

What is happening now is that the political elites, the political establishment of the United States, is intent on pushing this policy as far as it will go. This is not really "sleepwalking" toward war, because those elites

know what this will lead to. They are acting like lemmings moving toward the edge of the cliff, knowing full well that the cliff is there, and if they keep on going, they will fall off. It's an extremely dangerous situation, which demands that as many people as possible begin to voice their concerns about the situation, very publicly, with their Congressmen, with political leaders, and with their neighbors, so that we get a general outcry against this policy.

But why is it happening? It's happening because



U.S. Navy

*In a provocation to the People's Republic of China, the guided missile destroyer USS Benfold, transits the Taiwan Strait, July 28, 2021.*

there are people in the United States, in the political establishment and in the Western establishment generally, who have a policy that the world must be ruled from the West. That is, that the Western nations—the NATO alliance, the EU, and the United States—must set the "rules of the road." What are those rules, and how have they worked?

### Who's Succeeding?

Look back at the last few decades, at what's been happening in the world economy, leading up to the



NASA

*Deng Xiaoping (center) and his wife Zhuo Lin being briefed by Christopher C. Kraft, Director of NASA's Manned Spacecraft Center (Johnson Space Center), Houston, Texas, Feb. 2, 1979.*

2008 financial crisis, the major financial blowout, from which we have not completely recovered. Countries in the developing sector, in Africa, Asia, and Latin America, have gone from bad to worse under the dictates of the so-called “New York/London financial system,” of which the IMF and the World Bank are very much a part.

The Western financial system has turned into a massive speculative bubble, demanding payment from the real economy, resulting in austerity being implemented worldwide, in a desperate effort to maintain the speculative debt. The financial sector has become a casino economy. Unless something is done to change that, in line with what Lyndon LaRouche called for during his lifetime—restoring Glass-Steagall to stop the speculation in the financial sector, and directing credit into rebuilding the physical economy, this financial system cannot last—it will lead to the destruction of the economies of the West itself.

That is the system these powers

want to preserve, and the “rules of the road” they want to preserve. But those rules have been challenged, in a very interesting way, particularly with the rise of China. China came into the system without significant accumulated debt, allowing it to do things that could not be done by many other developing countries that were part of the IMF system. China concentrated, as a very poor nation, on building its economy. Following the “Reform and Opening Up,” which began under Deng Xiaoping in 1978, China became the “cheap labor” market for the Western economies.

But the Chinese were intent on not remaining in that situation, and therefore they placed their emphasis on moving toward the development of their scientific and technological capabilities, on finding areas in which they could become preeminent in producing things, in order to create a place for themselves in the world economy, not as a cheap labor producer, but as a healthy member of the international economy. In that way, by the late 1990s, China had become one of the largest economies in the world, and the largest trading economy in the world. From there it has only moved forward.

This scientific and technological approach had been strongly encouraged by Lyndon LaRouche, who during the 1990s was getting extensive coverage in the Chinese press. A great deal of interest was shown in his policies, as they were also in Russia. In 1996, Helga Zepp-LaRouche and the Schiller Institute co-sponsored a major conference in Beijing with the Chinese government on the building of a Eurasian Land-



Schiller Institute

*Helga Zepp-LaRouche speaks to an international symposium on the New Eurasian Land-Bridge, Beijing, China, May 1996.*

Bridge—a New Silk Road,<sup>1</sup> a concept with which Chinese scholars found themselves in fundamental agreement. China embraced the strategic concept fully, and in 2013 President Xi Jinping made it official with the announcement of the New Silk Road Economic Belt and the Maritime Silk Road, now known as the Belt and Road Initiative.

### **The Lincoln-FDR Approach**

China is a country with over 1.4 billion people. Under any circumstances, a country that size would obviously want and would deserve to have a say in the direction the world should be going. It also has become one of the most important economic powers in the world, with preeminence in some areas of science, such as the development of high-speed rail, which is now bringing the world together in a way never seen before.

But because it has been labeled as either a “communist” country, or an “autocratic” country, China is allowed no say in the West’s “rules of the road,” according to the oligarchical leaders in Europe and the United States. The United States, without a drastic reform of its economy, cannot outproduce China. The Chinese economy is likely to be two or three times the size of the U.S. economy within the next 10 to 20 years and China will likely become a leader in many more areas of science and technology.

This is not a bad thing nor a threat to anybody. The more a nation develops its science and technology, the better it can improve the conditions of life for its population—but also for the rest of the world’s population. The result of President Xi’s announcement of the Belt and Road Initiative is that Chinese high-speed rail lines, ports, bridges, and other infrastructures are now being constructed across Asia, Africa, and Latin America—something never seen in the centuries of colonial and neo-colonial domination of these nations by the West.

The attitude of the Chinese government is not to become the people who “set the rules” for the world, but to have a voice in at least formulating those rules, so as to benefit the peoples of the world. China, as the largest developing country historically, has always had a great affinity for the other developing countries. As it

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1. The presentations to that Beijing conference, “International Symposium on Economic Development of the Regions Along the New Euro-Asia Continental Bridge,” were [published](#) in January 1997 in an EIR Special Report, *The Eurasian Land-Bridge: the ‘New Silk Road’—Locomotive for Worldwide Economic Development*.

has developed its own economy, the nation has never lost that commitment. Their development activities in Asia, Africa and Latin America have created tremendous optimism in those countries, giving them hope that the future may well be bright, that they can, like China, escape from poverty.

This is something the United States should be glad to live with. It is something the United States itself used to do, before we became a rentier economy, living off our control of the world economy, our ability to produce dollars without apparent limits, while outsourcing our industries and sending our productive workers from the steel factories and the nuclear power plants into driving cabs or working in McDonalds or Starbucks. We’ve downsized our economy, exactly the opposite of what Lyndon LaRouche was demanding be done since the 1970s to revive the U.S. and the world economy.

### **Who’s Failing?**

By the 1980s, the political strata in the United States began to recognize that the United States economy was going to Hell in a handbasket, as LaRouche had been warning. Their response was to brutally suppress LaRouche and his movement, using the courts, the media, and financial warfare, and thereby also suppressing a policy that would have avoided the situation that we have today.

So, because of the spectacular development in China, there is now a dichotomy between one part of the political forces in the world, who want to push mankind forward, and another part who are pursuing a very provocative policy of creating conflict with China and Russia, with the mistaken idea that this will make it possible to maintain their hegemony over the world. This is the thing we have to get rid of, in order to move in the right direction—that is, to move the world toward a policy of peace and development.

The official name of China is the “People’s Republic of China.” What does that mean? Does that mean everybody goes out to vote every four years, and then goes back and hopes that the politicians do the right thing until the next election, and maybe change something for the better? No. It means something different. There is a total focus on making sure that the people of the nation have the basic means of life, have the support they need, have the ability to raise their children, have the ability to avoid sickness and illnesses; and are brought out of poverty. China is the only country in history that has overcome absolute poverty, and they

did it through the focus of the ruling Chinese Communist Party (CCP) being to mobilize the forces both within the Party, and among the other parties that exist in China, to accomplish that goal.

This is the way that China works. It's different, of course, as you can imagine, from the United States. But those who travel to China, or study its development, are awestricken by the scope of the transformation, to see the accomplishments that it has made, and to compare it with what we have here in the United States. There are many lessons we can learn. We're not going to adopt the Chinese system. The Chinese are not going to adopt our system. But there are some common goals underneath that.

The Chinese and the Chinese Communist Party are dedicated to the notion of preserving and maintaining the "people's livelihood." Our Constitution calls for the government to "promote the General Welfare." We have not been doing as good a job with that as the Chinese have been doing with the "people's livelihood." If you look at the situation today in our inner cities, and on our farms, you see that the General Welfare has largely been forgotten. Nonetheless, it is there as a principle, and there are people who understand that principle, even among our elected officials. But they have got to be mobilized, to realize the goal of bringing our people—all of our people—out of poverty.

### **The Principle of the General Welfare**

The Belt and Road Initiative is the biggest development project the world has seen in modern history, far outshining the Marshall Plan that the U.S. implemented after World War II. It has created a situation in which the entire world economy can be transformed into one in which everybody has a means of livelihood, in which ultimately poverty can be eliminated.

But, we've got to have the intention of doing that, and at this point, that just does not exist in the Western governments. Looking at the People's Republic of China today from the point of view of what some people imagined life was like under Joseph Stalin, or during earlier periods in China, when people were starving—that's all gone. It's all over. It doesn't exist anymore. And so, those images should be shunted aside, and we should look at the reality.

Within China itself, they do not want a conflict with the United States, nor does Russia. In fact, both of these countries want to work with the United States, as one of their most important partners. We were



NARA

*A U.S. Army soldier and a Chinese soldier place each other's flags on the front of their jeep, part of the first truck convoy of the Western Allies in three years to re-supply the Chinese since the Japanese cut the Burma Road in 1942. The convoy crossed into Kunming, China from Ledo, India in 1945 via the newly built Stillwell Road.*

important partners at one time, especially during World War II—we were partners with Stalin's Russia, and we worked very effectively in dealing with fascism in Europe and also in Asia. We were also allied with China, then the Republic of China, but also with the Communist Party of China, in fighting the Japanese invaders.

All of that seems to have been forgotten, because of the era of the Cold War, which occurred largely because of the untimely death of Franklin Roosevelt. Roosevelt intended to create a new system after World War II, in which all countries would be independent, in which all countries would be sovereign and could express their sovereign views, in the context of an international organization that he helped to create: The United Nations. But when he died, and Winston Churchill took over Harry Truman, the haberdasher from my home state of Missouri, he launched the Cold War; Russia became an enemy; China, which had been an ally, also became an enemy, and there was a new threat of nuclear war.

By the 1970s, however, the Western countries were prepared to come to agreements with their Cold War opponents—first, with the Soviet Union, and then with the People's Republic of China. That worked very well for a while. But now we are going back to the old days, because of the obsession in the West that we must call the shots.

The important thing is to understand what we're facing, what we're dealing with in terms of Russia and China. The "rules of the road" that were instituted when

the Soviet Union fell apart led to one of the worst periods in Russian history. I know that myself, from the early 1990s, when I was in Russia—people were taking their goods down to the subway, even their pets, to sell them in order to get some food. They would go out into the woods and pick mushrooms in order to have something for dinner. Scientists couldn't get paid, and a lot of them left Russia, many came to the United States. This was the "shock therapy" that the Western "free market" system imposed on Russia.

### **China and Russia**

Vladimir Putin, when he became President, decided that enough was enough. He took the bull by the horns and got Russia back on track.

China, in the 1990s, was not subject in the same way as Russia to the Western system. Despite the "reform and opening up," the government had the ability to prevent mischief by the forces of Western capital, maintaining very restrictive measures with regard to the financial sector; their emphasis was that finance was a handmaiden to the physical economy, and not an independent actor. This is also evident today in the recent crackdown on some of the larger firms, especially in the IT sector, which were trying to amass huge wealth at the expense of the economy as a whole (something which is seen quite clearly in the U.S.). But the Chinese government is still in control; the government, led by the Communist Party, is focused primarily on maintaining and improving the condition of the people, especially in the rural districts, which has always been important for the CCP. So, any kind of "gilded age" in which the fat cats take over—it's not going to happen in China.

China will continue working together with the world economy; the opening-up remains open, but under restrictions, so that the population is not damaged by any excesses that might occur. China is working together with Russia, and some of the elites in the West see this as a danger. But the more adamant we get in our aggressive policy toward Russia and China, the closer they're going to get to each other. They're neighbors. With the one of the longest common borders in the world, they have resolved their border disputes. The first treaty between China and a foreign power



*Premier Zhou Enlai (left) and Mao Zedong, Chairman of the Communist Party of China (right), in 1959.*

was the Treaty of Nerchinsk in 1689 with Russia, which defined the border and established trade agreements.

China and Russia were also close during the initial stages of the People's Republic of China. The U.S. imposed a boycott on China after the Revolution of 1949, while continuing to recognize the Nationalist Party (Kuomintang) under Chiang Kai-shek, which had been defeated by the Communists in the Revolution, and who took refuge on the island of Taiwan. Had the U.S. said, "OK, the war is over, these guys are in charge now, let's try and work something out," I'm sure the CCP would have been amenable to that. Both Premier Zhou Enlai and Chairman Mao Zedong had been in contact with the American military during World War II. In fact, they wanted to meet President Franklin Roosevelt, to explain themselves, but that was not allowed by certain people in the U.S. delegation in China.

### **Errors Not To Be Repeated**

What the U.S. did instead, under the red-baiting President Harry Truman, was to proclaim the rump organization in Taiwan to be the government of all China, gave it the Chinese seat in the United Nations, and used them to attack the People's Republic. There were raids by the Kuomintang forces in several places on the mainland, and bombardments of locations on the east coast. That was our attitude toward the People's Republic of China before the 1970s.

But they did have a friend in the Soviet Union. On

the ideological side, American intelligence made a big mistake by thinking that the communist world was a monolith. When the Soviet-Sino split occurred in 1960, everybody was caught off guard. But anybody who knew China and who knew Russia, knew that it was not a monolith. It was true that they shared certain ideological affinities and were working together, both led by Communist Parties. When China had no other allies, they leaned toward the Soviets. Mao asked the question: “Where are we going to lean after the [Second World] war?” The United States was not an option after FDR’s death, so they leaned toward the Soviet Union, and the Soviets were very helpful with the science and technological capabilities they had, to build up the initial industrialization in China.

But when the split came, China was all alone, they had to work on their own, to rebuild their economy. There were *a lot* of mistakes made, and there was a lot of suffering. Then, when the Soviet Union and the United States and Great Britain signed the treaty to end atmospheric nuclear testing in 1963, Mao told Zhou Enlai that China had to have a nuclear weapons force, because if the Western powers and the USSR were the only powers with nuclear weapons, it would mean they would be in charge, and China would be a victim of whatever they might want to perpetrate.

So, the Chinese introduced a program called “Two Bombs and One Star”—that is, atomic and thermonuclear bombs and a satellite (the “star”). The conditions the people worked under were primitive, but they had brains, and some knowledge they had acquired during cooperation with the Soviets or from Chinese scientists immigrating from abroad.

The program succeeded. By 1967, China had both a uranium bomb and a hydrogen bomb. China launched its first satellite in 1970. That mobilization became the source of the scientific elite of China, which has now accomplished something nobody else has done, landing on the far side of the Moon. China also has their own space station, which will soon be the *only* space station, since the International Space Station (which excludes China) is scheduled to be taken down in 2024. China also plans to have a lunar exploration station by 2030.

None of this is being done with hostility toward the West. In fact, China extended an olive branch, inviting people to come and work on these projects, because it is clearly understood that if scientists work together, in

spacefaring, or medicine, or energy, or any other field, and are able to exchange information, tapping into all the insights of each other’s thinking, science will move quickly forward. That is what the Chinese want to do. But given the situation in the United States, and the activities of the U.S. political class, China is prepared to go it alone if necessary. They can probably do it, too.

### A Universal Win-Win Instead

The fundamental problem is that the United States must understand that the world has changed since the 1970s and ’80s. We are no longer a unipolar superpower. And even with our so-called “alliances,” it is an open question as to whether the allies are going to go along with these destructive U.S. policies. But even so, China is a country of 1.4 billion people, allied very closely with Russia, with its own independent, scientific capability, and with 140 countries which have joined the Belt and Road Initiative. They will be able to survive and move forward, short of war. And, if U.S. policy doesn’t change, that’s what they intend to do.



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*On the world stage, China sponsors the Forum on China-Africa Cooperation (FOCAC) process to deepen the partnership between China and Africa, promote African development, and build a shared future.*

The discussion about moving supply chains [out of] China, decoupling, depriving them of technology—they will continue on their own, in creating their own supply chains, and their situation to do that is very good, because of their tremendous population and their focus on science and technology.

The fact is, that short of military conflict, China is going to become a force in the world, and from all we can see of the Belt and Road—of their policies toward Africa, of their policies of quickly getting vaccines to those parts of the world that are not getting them from the West—most of the world will give them their full support.

China, for instance, is now spending a lot of time and effort to relieve the disastrous situation in Afghanistan. They can't make the U.S. release the Afghan reserves which have been frozen by the U.S., but they can get aid and assistance to them. Afghanistan is an extremely important neighbor

of China. Earlier, terrorist groups could and did infiltrate into Xinjiang and Tibet from Afghanistan, causing a lot of havoc. So having a peaceful, prosperous Afghanistan is very important to them, and they're doing a lot toward that.

I think people have to realize this: we can work, and we should work, with Russia and with China, and also with India. India has a difficult relationship with

China, but has a good relationship with Russia, and in the context of the Russia-China cooperation, can probably be brought into a “strategic triangle,” in which they can all work together. These are very important countries, and together are the most populous nations in the world. We can work with them, if we would eliminate this obsession that somehow the Chinese and the Russians are “out to get us.”

The fact of the matter is, unfortunately, we're out to get them. Unless we can change that in both word and deed, then an already very difficult period will become much worse, and perhaps even

thermonuclear war. It's the decisions that are going to be made over the next few months in the United States and in Western Europe that are going to be decisive. If we can change the policy here in the U.S. and get an understanding of the benefits that the world would have through our cooperation with China and Russia,



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*China supplies humanitarian aid to many countries in need where Western countries are refusing to provide it. Here, Afghanistan receives from China its first batch of COVID-19 vaccine and other aid, Sept. 30, 2021.*

then we would be moving in the direction of tremendous prosperity and development such that the world has never before seen. But we have to work hard: Get into the Schiller Institute, look at our writings, videos, conferences, take cognizance of the work we've done and the possibilities you might have to help move things forward. That will be the key to the world moving in a positive direction.