

# The Fascists Versus FDR, Then and Now

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*The oligarchs are out to destroy the United States, on the model of their predecessors' fascist assault on FDR in the 1930s. By John Hoefle.*

Feb. 6—The history of the United States is dominated by the struggle of our nation to break free of the oligarchic system represented by the British Empire, and to lead the world into a new era of freedom and prosperity. This battle is not, as some would have us believe, an historical artifact, but an ongoing fight between a world which desires to be free, and a parasitic oligarchy which wishes to rule over us as if we were cattle.

Those who doubt this should consider the implications of the great swindle of the bailout scheme, in which the public is being forced to pick up the tab, while the parasites who gave us this disaster are being rescued. Are we not being led, as if we were cattle, into the slaughterhouse, so that the imperial financiers can continue to feast?

In medieval days, the oligarchs ruled openly, their major rivals being other oligarchs; but that changed with the emergence of the nation-state, and, in particular, with the establishment of the United States as a constitutional republic. Despite repeated attempts by the British to defeat and subjugate the United States, we survived, and, under the American System of political-economy grew, to become the most powerful nation on the planet.

The nation-state is far superior to the empire as a form of government, and the oligarchy is determined not only to stop the spread of republics, but to reconquer the United States. In response to the emergence of this new threat, the oligarchy developed a political construct which took on the coloration of a nation-state, without its benefits. The system it adopted to subvert the nation-state came to be known as fascism.

While Italy, under Benito Mussolini, and Germany, under Adolf Hitler, are the most prominent fascist regimes in history, they were but creatures of a larger, global fascist drive. Mussolini's adopted titles, *Il Duce* and the *Duce of Fascism*, are indicative of the oligarchic nature of this movement. The Italian *Duce* is the

same word as Duke, in English, and *Doge*, in the Venetian dialect.

## Fascism in the U.S.

The fascist movement was active in the United States, and centered around Wall Street, as befitting a movement which could also be accurately termed bankers' socialism. Partners in J.P. Morgan & Co. were active in funding Hitler and Mussolini. The Rockefellers' Standard Oil of New Jersey and Chase Bank had extensive ties with the Nazis, as did International Telephone and Telegraph (ITT, among other things, built the German Focke-Wulf bombers). Standard Oil President Walter Teagle was a director of American IG Chemical Corp., a subsidiary of the infamous IG Farben of concentration-camp fame. In 1947, U.S. judge Charles Clark ruled that "Standard Oil can be considered an enemy national in view of its relationships with IG Farben—after the United States and Germany had become active enemies."

Irénée du Pont was "obsessed with Hitler's principles" and a "keen follower of the career of the future Führer in the 1920s," reported Charles Higham in his book *Trading With the Enemy: An Exposé of the Nazi-American Money-Plot 1933-1949* (New York: Delacorte Press, 1983). Higham cited a speech du Pont gave to the American Chemical Society in 1926, in which he advocated a race of supermen, to be achieved by injecting children with certain drugs.

By 1933, the du Ponts were financing fascist groups in the U.S., such as the Liberty League, which slandered FDR as a Communist who surrounded himself with Jews; in early 1934, the du Ponts, the men of the Morgan Bank, and the du Pont/Morgan-controlled General Motors financed a coup d'état against the President. The conspirators attempted to recruit the highly decorated Marine Gen. Smedley Butler to run the coup, but Butler instead alerted the White House.

*Standard Oil Co. president Walter Teagle (right) was a director of an IG Farben subsidiary. In 1947, a U.S. court ruled that “Standard Oil can be considered an enemy national in view of its relationships with IG Farben—after the United States and Germany had become active enemies.”*



*Defendants from Germany's IG Farben industrial combine, at the Nuremberg Tribunal. Eleven of the 24 were found guilty of war crimes. IG Farben built a plant near the Auschwitz concentration camp, the better to use its slave labor.*



National Archives

In 1942, ten months after the United States entered World War II, the U.S. seized the Union Banking Corp. under the Trading with the Enemy Act. One of the directors of New York-based Union was Prescott Bush, the father of President George H.W. Bush and the grandfather of President George W. Bush. Prescott Bush was a managing partner of Brown Brothers Harriman, whose E. Roland Harriman was chairman of Union, which represented the interests of the German Thyssen family in the United States. In fact, a U.S. government investigation showed that Union was heavily interlocked with Thyssen's German Steel Trust, which produced a substantial portion of Nazi Germany's steel and explosives.

The German Steel Trust, Germany's largest industrial corporation, had been organized in 1926 by Wall Street banker Clarence Dillon, of Dillon Read. Dillon was a friend of Prescott Bush's father, Sam Bush. The majority owner of the Steel Trust was Fritz Thyssen, a prime sponsor of Hitler. Thyssen and his partner in the Steel Trust, Friedrich Flick, provided major financial support to the Nazis, allowing them and other German

industrialists to treat the Nazi SS and SA as private armies. Flick would later be sentenced at Nuremberg.

Averell Harriman, of the Harriman banking family, met with Mussolini to cement business deals, while Morgan partner Thomas Lamont, who described himself as “something like a missionary” for Italian Fascism, arranged a \$100 million loan for Mussolini in 1926. Lamont became chairman of Morgan in 1943.

This is by no means the full story of how the financier oligarchy created and steered the fascist movements of the 1920s and 1930s, but it is sufficient to indicate that fascism was organized and nurtured by a small clique of Western bankers, including the Bush family.

After the war, this same network moved to cover up their Nazi connections. James Stewart Martin, in his book *All Honorable Men* (Boston: Little Brown and Co., 1950), detailed how his team of U.S. investigators was continually thwarted in its probes into the origins and operations of the Nazi financial and industrial combines. Significant roles in this were played by the British Empire's Sir Percy Mills and Gen. William

Draper, Jr., of Dillon Read, the Bush-linked investment bank which handled significant amounts of the private lending used to rebuild Germany after the war.

Draper was a major supporter of eugenics, and sponsored the third International Conference on Eugenics in New York in 1932. The first such conference had been held in London in 1912; the second was held in New York in 1921. The Harri- man family was a major funder of eugenics, and it was his fetish for popula- tion control that earned the young Houston Congress- man, George H.W. Bush, the nickname “Rubbers.”

This Anglo-American pseudo-science was used as the model by Adolf Hitler, for his Nazi race policies. Hitler was a madman, but one created by the oligarchy.

## FDR Saves the Day

The essential point to be made about Franklin Delano Roosevelt, is that he took a nation that had been devastated by the looting policies of the imperial bank- ers—the “economic royalists,” as he called them—and restored the concept of national sovereignty. He saved the nation from the fascists, and they have neither for- gotten nor forgiven him for doing so. FDR whipped the bankers into line, using the hearings of the Senate Bank- ing Committee conducted by prosecutor Ferdinand Pecora, to expose the corruption and arrogance of Wall Street, thereby gaining public support to ram through a series of regulations and reforms.

A particular target was J.P. Morgan & Co., the bank which controlled a vast swath of America industry, from railroads to steel to raw materials and electricity gen- eration. J.P. “Jack” Morgan had shown his contempt for the government during the Pecora hearings, when he posed during testimony with a midget on his lap, a dis- play of arrogance which cost him dearly.



National Archives



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*Left: Prescott Bush and his wife, Dorothy. Above: Fritz Thyssen with Adolf Hitler. Bush was a director of Union Banking Corp., which represented the Thyssen family in the United States, and was interlocked with Thyssen's German Steel Trust. In 1942, the U.S. government took over Union, under the provisions of the “Trading with the Enemy Act.”*

Morgan was essentially a British bank, having begun as the New York branch of J.S. Morgan & Co. of London, a bank with close ties to the Venetian Roth- schild banking interests. With a steady supply of Euro- pean money, Morgan had led the fight to bankrupt the American System entrepreneurs and take over their op- erations. In this way, Morgan gobbled up railroads and industrial interests, combining them into trusts like U.S. Steel and General Motors. The Morgan partners viewed themselves as international bankers, above the laws of mere nations. They were not the only ones who did so, but they were the most powerful of the Ameri- can bankers.

Morgan, as we have seen, had also been instrumen- tal in the plot to overthrow FDR in 1934. While the treasonous plotters were never prosecuted for their crime, for political reasons, the ramifications of their actions were not overlooked, and the administration set out to break their power. One way this was done was the passage of the Glass-Steagall Act, which pro- hibited commercial banks from engaging in the securi- ties business. This act forced the Morgan bank to split





Harry S. Truman Library

*Averell Harriman (right) with U.S. Secretary of State James Byrnes, at the Potsdam Conference in 1945. The Harriman family worked with Prescott Bush in supporting the Nazis, and Averell clinched business deals with Benito Mussolini.*

into two separate companies, the commercial bank J.P. Morgan and the investment bank Morgan Stanley.

FDR's actions were not punishment per se, but demonstrations that the law applied to the imperial financiers as much as it did to anyone else; that they were subject to the law, not above it. For that, he is hated to this day by the empire.

## The Battle Today

Today, the Obama Administration faces problems similar in nature to those faced by FDR when he took office, but on a far greater scale. Most of the regulatory reforms passed by FDR to control the financiers have long since been repealed, and the nation has a much weaker agro-industrial base than it did in FDR's day. More importantly, we have a banking system which is hopelessly bankrupt, and have engaged in a criminally insane attempt to bail out the imperial financiers, threatening a hyperinflationary explosion which will wipe out the value of the dollar, and destroy what is left of the nation.

The only way to avoid a collapse into a New Dark Age is to return to the philosophy of the American System, as last embodied by FDR, and Lincoln before him. Above all else, we must defend the sovereignty of the nation from the predations of the financiers.

It is the prospect of precisely such a fight that has brought the apologists and propagandists of the empire



Library of Congress

*Partners at J.P. Morgan & Co. were funders of both Hitler and Mussolini. Here, J.P. Morgan, Jr., who traveled by yacht between his Summer home in Connecticut and his office on Wall Street.*

out of their roach-holes. They have launched a renewed campaign to assassinate the character and accomplishments of Franklin D. Roosevelt, in the hopes that this time the empire will win, and the stunning accomplishment that was the American Revolution can at long last be defeated.

Rewriting history to hide the contributions of great men, is a technique honed to a fine art by the oligarchy in its commitment to keep the world enslaved. In this pursuit, the oligarchy never rests—its hired biographers turn out reams of obfuscations and lies designed to hide the great ideas of history from a population it prefers to keep ignorant and distracted.

The most recent assault on the memory of FDR comes from the poison pen of one Amity Shlaes, a journalistic prostitute whose lack of intellect is more than matched by her willingness to serve her masters. Her book on Roosevelt, *The Forgotten Man: A New History*

of the Great Depression (New York: HarperCollins, 2007)<sup>1</sup> is worth reading only by those studying oligarchic propaganda techniques. If Shlaes understands anything about what FDR really did, she hides it well; the shallowness of her analysis suggests that she knows less about the subject than did Roosevelt's dog Fala. But then, her job was not to explain FDR, but to assassinate his reputation and his method, in an attempt to prevent its re-emergence. Shlaes was hired not to tell the truth, but to hide it, a job made far easier by the fact that she would not recognize the truth if she tripped over it.

Shlaes asserts that Roosevelt had no overall policy, and was so "random" as to be "creepily unpredictable" to the bankers. He was, she complains, "anti-big business." She slyly damns the people who ran the New Deal by saying that while they were not, by and large, traitors, they were heavily influenced by Communists; she even raises the specter of anti-Semitism. All in all, a pathetic, whorish, and incompetent work.

Shlaes, the real "Amityville horror," was well trained in duplicity. She served a stint as the op-ed page editor of the *Wall Street Journal*, where she became a protégé of Robert Bartley, a man who served as a link between the elite fascists of the Mont Pelerin Society and their equally fascist golems, the neocons. After her training at the *Urinal*, Shlaes moved on to the newspaper the *Urinal* would like to be, the City of London's own *Financial Times*, where she continued her concubinage. Today, Shlaes is a columnist for Bloomberg and a senior fellow at the Council on Foreign Relations, the American spin-off of Britain's Royal Institute for International Affairs.

Shlaes wrote her screed while on a fellowship at the rabidly pro-cartel American Enterprise Institute. The



*President Franklin D. Roosevelt's dog, Fala, had a better understanding of what FDR did than does American Enterprise Institute scribbler Amity Shlaes.*

cial parasite shines through, making a mockery of her own arguments.

The importance of Shlaes' work lies not in what she herself has done, but in the desperate intent of her British puppetmasters to head off the policies of the leading advocate of an FDR-style response today, Lyndon LaRouche. With the world caught in the grip of an accelerating crisis, the battle lines between the demands of the empire and the needs of the people are more clearly drawn than they have been in centuries.

The oligarchs of the Anglo-Dutch Liberal system are in deep trouble. Their financial system has failed, they themselves are bankrupt, and the realization is dawning on governments that they must take steps to bring to heel the speculators who have destroyed the world. In this context, the success of FDR is a beacon of hope, an example of what can be done. Against that, the rantings of Amity Shlaes and the rat-pack touting her arguments are to be swatted like flies by the judgment of history.

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*This article draws on the work of EIR researchers over many years, notably, Anton Chaitkin and L. Wolfe.*

1. Reviewed by Nancy Spannaus in *EIR*, Sept. 14, 2007.