

THIS MACHINE BUILDS FASCISTS

Lowlights of American capitalism, 1861-1998

Information compiled

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We must take from state authority those functions for which it is incompetent and which it performs badly... I believe the state should renounce its economic functions, especially those carried out through monopolies, because the state is incompetent in such matters... We must put an end to state railways, state postal service and state insurance.

-- Benito Mussolini

The antitrust laws, as Justice Oliver Wendell Holmes noted, are a joke...It is not that there is monopoly in one industry - such as steel, oil, or motors - but that industry in general totality is monopolized in ownership, control and direction by a very few people, the rich and the super-rich.

-- Ferdinand Lundberg

Naturally the common people don't want war: Neither in , nor in , nor for that matter in Germany. That is understood. But, after all, it is the leaders of the country who determine the policy and it is always a simple matter to drag the people along, whether it is a democracy, or a fascist dictatorship, or a parliament, or a communist dictatorship. Voice or no voice, the people can always be brought to the bidding of the leaders. That is easy. All you have to do is tell them they are being attacked, and denounce the peacemakers for lack of patriotism and exposing the country to danger. It works the same in any country.

-- Hermann Goering

People like to say, I don't want to believe in conspiracies. Look - I've got the minutes of their meetings. What else do you want?

-- BBC reporter Greg Palast

Introduction

This material is old, and divided into two parts. With regard to the first part: I was collecting and compiling information to organize as background for a book that never got written. I created it as a timeline to help with the organization, and the writing in it consists of notes to myself, never intended for publication. The compilation dates back from before 9/11 (ending in 1998), and it seems likely that the event of 9/11 itself changed my personal direction to such a degree that I abandoned the book I was writing. Don't remember, as that was many projects ago, and it was only recently that I found this timeline in some of my old papers and decided to put it out there as it is. The timeline resembles a sketchbook, waiting for colors to be filled in.

However, as a compilation, I thought it might be useful or interesting to anyone working in this area, even in its haphazard state. It could also be combined with similar timelines to help others with their work.

The second part is an essay, *The Nazi Corporations*, which I have never published. The documentation in the timeline did inform the essay to some extent. And as for the essay, the information in it is solid, as far as it goes; a good companion for it might be the essay "Good Americans" by John Judge as well as the work of Mae Brussell, Linda Hunt (*Secret Agenda*), and Christopher Simpson (*Blowback*).

All of the original copyrights to this material of course still apply to the individual authors and are cited appropriately throughout. The collection as a whole I hope will be freely distributed far and wide. Thanks for reading.

-Joe Green (Nov 2014)

PART ONE: THE TIMELINE

1861

The Civil War begins. The war interrupts the burgeoning oil business to some degree. It (along with the 1870 Franco-Prussian War) provides an example of the problem that has always plagued oilmen: Wide fluctuations in price. “In 1859 it was twenty dollars a barrel, and in 1861 it had averaged fifty-two cents. Two years later, in 1863, it averaged \$8.15, and in 1867 but \$2.40.”¹ From this point on, oilmen would always seek to stabilize the price of their commodity.

They would also seek to excuse themselves from *servng* in any sort of war.

“Morgan had escaped military service in the Civil War by paying \$300 to a substitute. So did John D. Rockefeller, Andrew Carnegie, Phillip Armour, Jay Gould, and James Mellon. Mellon’s father had written to him that ‘a man may be a patriot without risking his own life or sacrificing his health. There are plenty of lives less valuable.’”²

This list of names, of course, encompasses some of the most important families in understanding how the United States operates. Many of their names are immediately familiar because they lend their names to monuments all over the country. One can go to the in , or to CarnegieMellonUniversity; every pianist’s dream is to someday play Carnegie Hall. None of these figures, however, became as powerful as fast as Julius Pierpont Morgan, the steel magnate. Needless to say, he also did not participate in the Civil War.

“Although well qualified physically and mentally for military service [he was 24 at the start of the Civil War], Morgan avoided any kind of duty interfering with his money making and comfort...The rich, for whose interests the Northern armies were at basis fighting, not only as a class evaded enlistment, but proceeded to demoralize, spread disability and sow death among their own armies. While doing this, and at the same time swindling the Government, States and cities out of vast sums in Army contracts, they caused the Draft Act to be so amended that it gave men of property the easy opportunity of escaping conscription by permitting them to hire substitutes.”³

Morgan made his fortune by fraud and deceit, as did virtually all of the great names in industry. Perhaps his most egregious moment was knowingly selling defective rifles to the army (which, through sleight of hand, actually belonged to the army in any case) for exorbitant sums. The tale is told by Gustavus Meyers in his *History of the Great American Fortunes*, which is difficult to find in its original three-volume set but well worth the effort. This is similarly true to the original version of Ida Tarbell’s *History of the Standard Oil Company*, instead of the much shorter, edited version which is easily obtainable.

1862

John D. Rockefeller buys his first oil refinery. Together with his partner Andrews, he is enormously successful. In eight years, he will start Standard Oil.

1870

¹ Tarbell, Ida, *The History of the Standard Oil Company*, p. 17.

² Zinn, Howard, *A People’s History of the United States*, p. 249.

³ Myers, Gustavus, *History of the Great American Fortunes (Volume 3)*, p. 169-170.

Lawyer Algernon Sullivan meets Cromwell, and, recognizing his talent, offers to send him to the Columbia School of Law. The offer is accepted. Eventually they will form the powerful Wall Street law firm Sullivan & Cromwell.

John D. Rockefeller also obtains his eventually staggering wealth and power via bullying and deceit, forming a cartel.

Rockefeller sets up Standard Oil of Ohio. He engages secret agreements with railroads to ship only with him (at a discount) and drives the competition out of business. “Memos like this one passed among Standard Oil officials: 'Wilkerson & Co. received car of oil Monday 13th...Please turn another screw.’”⁴ Once he had control of the oil business, he could also control price. Ida Tarbell explains what OPEC knows so well: “They could then limit their output to actual demand, and so keep up prices. This done, they could easily persuade the railroads to transport no crude for exportation, so that the foreigners would be forced to buy American refined. They believed that the price of oil thus exported could easily be advanced fifty percent.”⁵

By means of this scheme, Standard Oil was able to crush the competition and hold over 20% of the American market within a year.

1873

On February 12 of this year, Congress passes a law that more or less achieves the removal of silver as currency. “It was the middle class which was struck at hard; the supply of money was at once contracted, the purchasing power of gold was enhanced, and the power of the large creditor capitalists and banking institutions over the small property owning class was greatly augmented. This law was passed at about the same time that the first trust, the Standard Oil Company, was rising to give the death blow to the doctrine of free competition in trade, and to crush out the middleman in business... The day was a sorry one for the long-dominant middle class.”⁶

1876

Democrats & Republicans arrange to elect Rutherford P. Hayes as president. This is a long and fairly complicated story, detailed in Gore Vidal’s historical novel *1876*.

1877

John Sherman is appointed to the Secretary of the Treasury. He is widely regarded as a tool of the banking class. As if to prove it, there is an issue of \$260,000,000 in U.S. bonds to serve their interests; “...suffice it to say that this bond issue was generally regarded, and not without full reason, as one of the very worst cases that had ever been known of the people being betrayed over to a few bankers. The selling of the bonds was apportioned among these banking houses: August Belmont, the Rothschilds, J. and W. Seligman Brothers, and Drexel, Morgan and Company, the last named acting for themselves and for the firm of J. S. Morgan and Company in London. This syndicate at once sold the bonds at an advance of from one to four per cent, above the price which they had paid to the Government. The profits of the syndicate reached into the

⁴ Zinn, p. 251.

⁵ Tarbell, p. 29.

⁶ Myers, p. 186-187.

tens of millions of dollars. Drexel, Morgan and Company alone were credited with “making” a clear profit of \$5,000,000. Their function consisted in nothing more or less than acting as licensed speculative middlemen for a Government which could have dispensed of the bonds without intermediaries.”⁷

1884

Grover Cleveland (D) runs for president. The general public has the idea that he is against monopolies. However, when Cleveland wins, Jay Gould sends him a memo: “I feel...that the vast business interests of this country will be entirely safe in your hands.” Cleveland himself states: “No harm shall come to any business interest as the result of administrative policy so long as I am President...a transfer of executive control from one party to another does not mean any serious disturbance of existing conditions.”⁸

1887

The Interstate Commerce Act passes. It is ostensibly to regulate railroads for the protection of consumers. Richard Olney, a lawyer for Boston & Maine and other railroads, states it is the better part of wisdom not to abolish the Commission. He explains: “The Commission...is or can be made, of great use to the railroads. *It satisfies the popular clamor for a government supervision* of railroads, at the same time that that supervision is almost entirely nominal...The part of wisdom is not to destroy the Commission, but to utilize it.”⁹ (italics mine)

And so they did. The Interstate Commerce Commission had no power or authority to do anything of consequence. They could not compel witnesses, as the courts would not allow them to subpoena anyone. “Railroad officials...were excused from testifying on the ground that by doing so they might incriminate themselves. In a word, the Interstate Commerce Commission, on the establishment of which as a peremptory tribunal the middle class had built such high hopes, as found to be nothing more than an inane body which was allowed to devote itself to the harmless pastime of collecting statistics, but was empowered to do nothing more serious...And, in fact, some of the very members of Congress who were so vigorously inveighing against the ‘high-handed’ corruption of the railroad magnates, and demanding punitive laws, were, at this very time, themselves implicated in a great scandal.”

The scandal was referred to as the Pan-Electric Scandal, and it involved the chief rival of the Bell Telephone Company. Through bribery, Bell Telephone had received numerous victories in court to establish various patents on means of communication. Pan-Electric, seeking to supplant Bell, began distributing its own stock to various Senators and Representatives in order to now have those patents overturned. “United States Attorney-General Garland upon whose say-so depended whether the suit for vacating the Bell patents should be brought or not, held, it was charged, not less than \$10,000,000 of stock in the Pan-Electric Company, for which stock he had not paid a dollar. When the Pan-Electric promoters were interrogated as to these methods they cynically pointed out that the Bell Telephone Company had begun its career by using precisely the same

⁷ Myers, p. 189.

⁸ Zinn, p. 252.

⁹ Ibid, p. 253.

methods.”¹⁰

1888

Benjamin Harrison (R) is elected President. He has previously served the railroads as both a soldier and a lawyer (in 1877, both leading soldiers against the strikers and then prosecuting them.)

The defeated incumbent, Grover Cleveland, partners with Francis Lynde Stetson in a law practice. Stetson is J. P. Morgan’s emissary, a skilful lawyer. When Cleveland was re- elected in 1892, Stetson often made visits to the White House. “These various circumstances were much commented upon, and with particular animadversion, when Cleveland was virtually charged in 1895 with openly selling out the people of the United States to the Morgan syndicate, represented by Stetson.”¹¹

1889

Adolf Hitler is born in Austria.

1890

The Sherman Anti-Trust Act is passed, largely to assuage the public. It will quickly be rendered toothless.

“The mystery, if such it ever was, is neatly dispelled by Judge Thurman Arnold in his *The Folklore of Capitalism*. Arnold was from 1938 to 1943 in charge of the antitrust division of the Department of Justice, and he knew whereof he spoke. The operative function of the Sherman Act, Arnold holds, is to make possible from time to time ceremonial observances of the American belief in competition. These ceremonial observances take the form of criminal prosecutions, so that a concerned fraction of the public may believe the competitive situation is being defended. Meanwhile, concentration and monopoly advance in rapid strides from decade to decade as in Europe. Those convicted do not alter their behavior.”¹²

1891

J. P. Morgan wrests away the Edison General Electric Company from Thomas Edison, the inventor of the light bulb. As soon as his feat is accomplished, Morgan removes Edison’s name from the company and rechristens it General Electric. G. E. will, of course, go on to become one of the most powerful corporations in the United States, eventually owning - among other holdings - the National Broadcasting Company, NBC.¹³

1892

This, the year after Sullivan’s death, Cromwell has Curtis, a New Jersey resident, work behind the scenes to change the laws of incorporation in New Jersey. Cromwell’s package of changes in

¹⁰ Myers, p. 199-201.

¹¹ Ibid, p. 223.

¹² Lundberg, Ferdinand, *The Rich and the Super-Rich*, p. 145.

¹³ Rampton, Sheldon, and John Stauber, *Trust Us, We’re Experts!*, p. 47.

the incorporation gives much more to the corporations than to the state, lowering the incorporation fees and taxes. Additionally, it prevents shareholders from inspecting the corporation's books and interfering in corporate management. Most importantly, Cromwell's *package allows corporations to hold shares of other corporations*. It is a package designed to sidestep the Sherman Antitrust Act of 1890.¹⁴ (italics mine)

Cleveland elected president again. Carnegie receives a letter from Henry Clay Frick, his steel plants manager: "I am very sorry for President Harrison, but I cannot see that our interests are going to be affected one way or other by the change in administration."¹⁵

1893

President Cleveland uses army troops to quell "Coaxley's Army," unemployed demonstrators who marched on Washington.

The Supreme Court interprets the Sherman Anti-Trust Act so as to make it useless. In *U.S. v. E. C. Knight Co*, a sugar monopoly is concluded to be manufacturing, rather than commerce, thereby falling outside the provisions of the Act. *Pollock v. Farmers' Loan & Trust Company* declares unconstitutional an attempt by Congress to tax the rich at a slightly higher rate. A New York banker toasts the Supreme Court in 1895: "I give you, gentlemen, the Supreme Court of the United States - guardian of the dollar, defender of private property, enemy of spoliation, sheet anchor of the Republic."¹⁶

"In 1895 the gold reserve of the United States was depleted, while twenty-six New York City banks had \$129 million in gold in their vaults. A syndicate of bankers headed by J. P. Morgan & Company, August Belmont & Company, the National City Bank, and others offered to give the government gold in exchange for bonds, President Grover Cleveland agreed. The bankers immediately resold the bonds at higher prices, making \$18 million profit."¹⁷

1896

William McKinley is elected President over William Jennings Bryan in a bitter, divisive contest. "McKinley's election as President of the United States, with a Congress the majority of which was of his views, was a distinct notification that the plutocracy was in full power - a power won in pitched combat, and therefore interpreted as a popular approval of the rule by great magnates and trusts...Henceforth, it was well understood, the trusts need fear no governmental antagonism, even of a sham order; for while mock legal actions at no time impaired the basic sway of the trusts, yet they caused constant annoyances and expense."¹⁸

1898-1899

"By the end 1890s, most of the country's railway mileage was concentrated in six huge systems. Four of these were completely or partially controlled by the House of Morgan, and two others by

¹⁴ Lisagor, Nancy, and Frank Lupsius, *A Law Unto Itself*, p. 26-27).

¹⁵ Zinn, p. 254.

¹⁶ *Ibid*, p. 254.

¹⁷ *Ibid*, p. 250.

¹⁸ Myers, p. 228-229.

the bankers Kuhn, Loeb, and Company.”¹⁹

1900

J. P. Morgan controls 100,000 miles of railroad, half of the USA. Morgan owns three insurance companies owning a billion dollars in assets.

Andrew Carnegie agrees to sell his steel company to J.P. Morgan for \$492 million. Morgan forms the U.S. Steel Corporation. He sells stocks & bonds totaling \$1.3 billion. This is \$400 million more than the entire net worth of the companies.²⁰

1901

J. P. Morgan employs the law firm Sullivan and Cromwell to organize U.S. Steel, the first American corporation with more than one billion dollars capitalized.

1902

The J. P. Morgan myth of the “Captain of Industry” is in full flower. Teddy Roosevelt is forced to plead with him in order to arbitrate the great coal-strike. Speaking of J. P. Morgan, Gustavus Meyers writes: “Contrasted with him, ostensible political rulers were innocuous ephemeral personages. For a time they might vociferously command attention, but their incumbency was dependent on the will of the magnates, and they were pushed up or pulled down as suited the policy and purposes of the great propertied interests.”²¹

1906

"Behind the ostensible government sits enthroned an invisible government owing no allegiance and acknowledging no responsibility to the people. To destroy this invisible government, to befoul the unholy alliance between corrupt business and corrupt politics is the first task of the statesmanship of the day." - Theodore Roosevelt, speech of April 19, 1906

Averell Harriman has Sullivan & Cromwell assist him in a proxy fight involving the Illinois Central Railroad. It is a nasty fight, but he is successful. Harriman will later be involved in the I. G. Farben debacle; the Harriman family will continue to be closely tied to the Bush family.²²

1911

John Foster Dulles joins the firm of Sullivan & Cromwell.

1913

The road to WWI has been paved.

“As to the role in 1914-18 of the industrial tycoons, American and foreign, far from saving the world, they were the chief operative factors in producing World War I, as a wealth of research conclusively shows. Again, it was the American business leaders who pushed the United States

¹⁹ Zinn, p. 249.

²⁰ Ibid, p. 251.

²¹ Myers, p. 244.

²² Lisagor & Lupius, p. 35-36.

into that war from out of left field on fantastic grounds of insuring freedom of the seas, terminating militarism and saving the world for democracy. Nearly every major difficulty of the contemporary world can be traced directly to the governments of the major powers, the United States included, in 1914-1918, and the leading property holders who stood solidly behind them.”²³

It is a fact that America did a great deal more business with England and France than it did with Germany. It is another fact that American business with the former two countries exploded during WWI. “Trade with the Central Powers declined from \$169 million to \$1 million in 1916, and during the same period trade with the Allies rose from \$824 million to \$3 billion...Eventually, the United States became the larder, arsenal, and bank of the Allies and acquired a direct interest in Allied victory that was to bemuse the postwar apostles of economic determinism for a long time.”²⁴

John Foster Dulles goes to Europe to hawk insurance for the American Cotton Oil Company, a Sullivan & Cromwell client.

President Woodrow Wilson, Conspiracy Theorist

"I am a most unhappy man. I have unwittingly ruined my country. A great industrial nation is controlled by its system of credit. Our system of credit is concentrated. The growth of the nation, therefore, and all our activities are in the hands of a few men. We have come to be one of the worst ruled, one of the most completely controlled and dominated Governments in the civilized world; no longer a Government by free opinion, no longer a Government by conviction and the vote of the majority, but a Government by the opinion and duress of a small group of dominant men.

Since I entered politics, I have chiefly had men's views confided to me privately. Some of the biggest men in the U. S., in the field of commerce and manufacturing, are afraid of somebody, are afraid of something. They know that there is a power somewhere so organized, so subtle, so watchful, so interlocked, so complete, so pervasive, that they had better not speak above their breath when they speak in condemnation of it.”²⁵

1914

Hitler flees to Germany to dodge the draft. In February 1914 he is apprehended and a report is put into his file. It reads: “Unfit for military or auxiliary service; too weak; incapable of bearing arms.”

June 28, 1914: The heir to the throne of Austria-Hungary, Archduke Franz Ferdinand, is assassinated together with his wife, Sophie. This is generally considered to be the ‘start’ of World War I (the satirical newspaper *The Onion* parodied this interpretation with a headline ‘Franz Ferdinand Found Alive - War Was Simple Misunderstanding’) and while this is facile, it is a useful signpost. The primary dispute was between the Slavic portions of Hungary (including

²³ Lundberg, p. 152.

²⁴ Tuchman, Barbara, *The Guns of August*, p. 337.

²⁵ Wilson, Woodrow, *The New Freedom*.

Bosnia) which desired independence. The Archduke was in favor of independence, at least after a fashion (his plan included a tripartite union of independent states). He was killed by a Serb who disagreed. Thus begins a domino effect in which nation after nation enters into war, squabbling about their specific 'possessions' (i.e., territories) with one another.

One thing that was present in the European countries in particular was the memory of old wounds, together with feelings that every other country was trying to take over the world. For example, many French wanted revenge for their defeat in 1870 by the Germans, and harbored general anti-German feeling. Many Brits felt that Germany wanted to destroy the British Empire, and thus considered war as a form of self-defense.

1915

Robert Lansing (Dulles' 'Uncle Bert') is appointed U.S. Secretary of State. Lansing recruits his nephew to go to Nicaragua, Costa Rica and Panama. In Nicaragua, Dulles befriends Conservative candidate Emiliano Chamorro and encourages him to suspend diplomatic relations with Germany. Dictator Federico Tinoco leads Costa Rica at this time. Dulles advises Washington to support the dictator, in spite of his being "unscrupulous." Dulles recommends this because the dictator is anti-German. In Panama, Dulles offers to let Panama waive the tax on its annual canal fee as long as they declare war on Germany. He recommends, however, a "third party" made up of the "better class of businessmen and professionals" should take over Panama. During this time, Liberal Cuban leader Orestes Ferrara contacts Sullivan & Cromwell. He asks for help and complains that the Conservatives have stolen the election. "The State Department, acting on instructions from President Wilson, refused to cooperate and decried the liberal revolt as 'lawless and unconstitutional.'"

With his success in Central America, Dulles is commissioned as a captain for a position in military intelligence working for the war trade board. While on the trade board, Dulles recommends installing a new leader in Cuba, voiding the recent election. His concern is not for the welfare of the citizens of Cuba, but rather for the thirteen Sullivan and Cromwell clients that held huge sugar interests. President Wilson refuses, but does end up sending 1,600 Marines to protect American sugar interests.²⁶

1917-1918

Woodrow Wilson takes the opportunity of the war to greatly expand Presidential power. "When the United States entered World War I, President Wilson openly sought that dictatorial power which his critics suspected he coveted all along. Wilson took the position that he must become the commander-in-chief of a necessarily autocratic organization; that the normal processes of democratic government must be suspended for the duration; that Congress must be willing to equip him with whatever powers he deemed necessary to prosecute the war...A bill reflecting Wilson's desires was introduced...The New York Times of February 7, 1918, reported that Democrats as well as Republicans were angered by the bill's proposed transfer of so much of the power of the government to the Executive."²⁷

²⁶ Pruessen, Ronald, *John Foster Dulles: The Road to Power*, p. 19-23.

²⁷ George, Alexander L. and Juliette L. George, *Woodrow Wilson and Colonel House: A Personality Study*, p. 177.)

In October 1918, the Germans request that Wilson assist in making peace. Their war dead lay scattered all along the Western front.

I have not said anything about education to this point. The history of the educational system in the United States - from its original derivation from the Prussian system to its domination by corporate financiers such as Carnegie and Morgan - is brilliantly documented in John Taylor Gatto's *Underground History of American Education*. He is basically a conservative, and religious, but if understanding that he unearths some great and valuable stuff. To some extent, an enterprise such as this one (i.e., a catalog of events not often commented upon in traditional texts) is automatically a commentary on the American educational system. But I do not wish to repeat what Gatto does so well, so I recommend the reader to pick up his invaluable book.

I would like to quote one thing from another book, *America Revised*, by Frances Fitzgerald, that specifically concerns American textbooks. She notes that 1918 was a pivotal year for textbooks, and discusses the types of information that such books were likely to carry:

Citizens, Not Scholars

“According to educational historians, one of the most influential of all educational documents in the twentieth century is the 1918 report of the National Education Association on ‘Cardinal Principles of Secondary Education.’ As the main objectives of education in the secondary schools this report listed seven points: ‘health, command of fundamental processes [by which it meant the three Rs], worthy home membership, vocation, citizenship, worthy use of leisure, ethical character.’ It made no mention at all of the development of intellectual capacity or the mastery of academic subjects. Indeed, it made reference to a previous N.E.A. report that specifically repudiated these activities. This report, the 1911 report of the Committee of Nine on the Articulation of High School and College, had stated that the task of the high school was to ‘lay the foundations of good citizenship and to help in the wise choice of a vocation.’ It said, further, that the ‘bookish curricula’ of the high schools had been responsible for ‘leading tens of thousands of boys and girls away from the pursuits for which they are adapted’ to pursuits for which they are not, and giving them ‘false ideas about culture.’ It talked about ‘individual usefulness’ and urged a much greater attention to vocational preparation.²⁸

1919

The American Legion is formed. It is in large part created and financed by J.P. Morgan and Grayson Murphy, the director of Goodyear. It is slated to be used primarily as strikebreakers.

Adolf Hitler joins two organizations in this year. The first is the Thule Society, which is dedicated to the occult and right-wing ideology. The Thule Society was trying to organize politically to fight against Communism. Hitler also joins the German Workers’ Party and quickly becomes the leader of the party. The very next year, the party changes its name to the National

²⁸ Fitzgerald, Frances, *America Revised*, p. 168-169.

Socialist German Workers' Party.

1920

Warren G. Harding elected president. His administration is wholly corrupt, although perhaps no more or less than any other. The Teapot Dome scandal occurs while he is President.

1921-1922

Henry Ford begins publishing an anti-Semitic newspaper. He writes and publishes a book called *The Eternal Jew*, which is a discourse about the Protocols of the Elders of Zion. The Protocols are a much-argued about series of documents that purport to describe a conspiracy to take over the world by the Jewish people. Although the Protocols are largely discredited, Ford publicly remarks: "The only statement I care to make about the Protocols is that they fit in with what is going on. They are sixteen years old, and they have fitted the world situation up to this time. They fit it now."

Irene du Pont, the main force behind the du Pont fortune, is an avid supporter of Hitler. Shortly after the armistice, he travels to Germany to renew contacts with I. G. Farben.

The du Pont family had made their fortune during WWI. They used the money to buy a controlling share in General Motors.²⁹

The company W. A. Harriman gets its start when Averell Harriman travels to Berlin. He meets Fritz Thyssen, who shares Harriman's fondness for Germany. Harriman hires George Herbert Walker to handle both the Berlin office and his New York office.

Walker is George Herbert Walker Bush's grandfather.

1923

Italy privatizes insurance.

The National Socialist German Workers' Party becomes officially the Nazi Party. Fritz Thyssen meets with a General Ludendorff, an old family friend. Ludendorff explains that Germany's future depends upon the Nazi Party; Thyssen becomes a fast supporter. Regarding Hitler, he states: "I realized his orator gifts and his ability to lead the masses. What impressed me most however was the order that reigned over his meetings, the almost military discipline of his followers."

The pioneer of the public relations industry, Edward Bemays, begins to get a foothold among large corporate clients in need of spin control. Bemays, the beloved nephew of Sigmund Freud, has been working in his invented field for about ten years, which is now paying large dividends. He writes books with titles such as *Propaganda* and *The Engineering of Consent*. "He helped jump-start sales of bacon, a breakfast rarity until the 1920s, by enlisting a prominent doctor to solicit fellow doctors' opinions on the salutary benefits of a hearty breakfast and by arranging to have famous figures photographed eating breakfasts of bacon and eggs."³⁰ Bemays was thus the

²⁹ Borkin, Joseph, and Charles A. Walsh, *Germany's Master Plan*, p. 86-87.

³⁰ Rampton and Stauber, p. 41-45.

inventor of those television commercials that purport to tell us that '4 out of 5 doctors' agree that Product X is superior to Product Y.

He also (naturally) found his way to helping the tobacco industry, creating what may have been the first 'front group.' A now-common strategy used by industries, a 'front group' is a paid-for 'grassroots' lobby group that supports whatever those in power want. So, for example, the CIA uses the False Memory Syndrome Foundation, a front group that lends its voice to television networks and *Skeptic* magazine, to try and drown out people who claim to have had memories traumatically erased.

1924

Baldur von Schirach reads Henry Ford's book *Eternal Jew*. He will later tell his jailers at Nuremberg that reading the book caused him to become an anti-Semite at the age of 17.³¹

John Foster Dulles develops a specialized knowledge of the German economy, helping to arrange enormous loans for the rebuilding country. "Of the \$9.4 billion in foreign securities held by American citizens at the time of the stock market crash, \$1.2 billion were of German origin - more than 10 percent of the total. Considering that the first major public offering of German securities in the United States was not made until 1924, the financial dimensions of the subsequent five years' activities becomes even more impressive." The biggest loan is \$100 million, managed by several companies, including J.P. Morgan and Kuhn, Loeb & Company. Other loans of interest: \$20 million to the Berlin City Electric Company, by Lee, Higginson and W. A. Harriman; \$30 million to the State of Prussia, by Harris and Forbes in 1927; and a 1930 loan of \$98 million to the German government, by several parties, including J. P. Morgan and Chase Securities.³²

The Dulles brothers were also the masterminds behind the Dawes Plan, which had the support and backing of J. P. Morgan. Under the Dawes Plan, the U.S. lent Germany money to pay its international reparations to England and France. In turn, England and France repaid the U.S. For a while this financial machine was successful, and the Dulles brothers' clients reaped a financial windfall. The result was that from 1924 to 1931 Germany paid the Allies about 36 billion marks in reparations, but received about 33 billion marks borrowed under the Dawes and Young Plans. This resulted in the burden of German reparations being shifted to the buyers of German bonds sold by Wall Street firms - for large commissions. (If we think about the financial system near-collapse during the Too Big to Fail fiasco, it was nearly the same thing - products being bundled together to create sales opportunities, going out mainly to provide commissions for the managers handling the commodities.)

"We first turn to Dulles's creation of international finance networks for the benefit of the Nazis. In the beginning, moving money into the Third Reich was quite legal. Lawyers saw to that. And Allen and his brother John Foster were not just any lawyers. They were international finance specialists for the powerful Wall Street law firm of Sullivan & Cromwell...The Dulles brothers were the ones who convinced American businessmen to avoid U.S. government regulation by

³¹ Shirer, William, *The Rise and Fall of the Third Reich*, p. 209.

³² Pruessen, p. 70-72.

investing in Germany. It began with the Versailles Treaty, in which they played no small role. After World War I the defeated German government promised to pay war reparations to the Allies in gold, but Germany had no gold. It had to borrow the gold from Sullivan & Cromwell's clients in the United States. Nearly 70 percent of the money that flowed into Germany during the 1930s came from investors in the United States, many of them Sullivan & Cromwell clients...Foster Dulles, as a member of the board of I.G. Farben, seems to have had little difficulty in getting along with whoever was in charge. Some of our sources insist that both Dulles brothers made substantial but indirect contributions to the Nazi party as the price of continued influence inside the new German order..."³³

Besides the significant involvement of both Dulles brothers and J.P. Morgan, the General Electric Corporation played a crucial role. Owen Young, author of the Young Plan, was a member of GE's board and part of the brain trust behind the Dawes Plan. GE had considerable investments in Germany, and benefited immensely from the Young Plan.

To fully understand its involvement in both ill-conceived German bailout plans, one must look at GE's management. Gerard Swope, a president of General Electric, and Walter Rathenau, a managing director of GE's German subsidiary, both were in favor of monopolies.

Rathenau's view of the inter-war period's new political economy are summed up in this quote from *The New Political Economy*: "The new economy will, as we have seen, be no state or governmental economy but a private economy committed to a civic power of resolution which certainly will require state cooperation for organic consolidation to overcome inner friction and increase production and endurance."³⁴

Averell Harriman forms the Union Banking Corporation together with George Herbert Walker, bank manager Hendrick J. Kuowenhoven, and Averell's brother.

1925

Baldur von Schirach joins the Brownshirts. He will become Youth Leader of the Nazi Party by 1931.³⁵

Italy privatizes the telephone system and many public works.

I.G. Farben has by now established powerful allies inside the Republican administration. Secretary of Commerce Herbert Hoover appoints a nine-member board, the Chemical Advisory Committee. The ostensible purpose of the committee is to help the American chemical industry defeat the I.G. cartel. However, seated on the committee are Walter Teagle (Standard Oil of New Jersey), Lamot du Pont, Frank Blair (President of Sterling) and Henry Howard (Vice-president of Grasselli).³⁶

I. G. Farben's first chairman, Dr. Karl Duisberg, states: "Be united, united, united. This should be the uninterrupted call to the parties of the Reichstag. We hope that our words of today will

³³ Loftus, John, and Mark Aarons, *The Secret War Against the Jews*, 55-60.

³⁴ Sutton, Athony, *Wall Street and the Rise of Hitler*, p. 50.

³⁵ Shirer, p. 349.

³⁶ Ambruster, Howard Watson, *Treason's Peac*,. p. 138-139.

work, and will find the strong man who will finally bring everyone under one umbrella...for he is always necessary for us Germans, as we have seen in the case of Bismarck." He will go on to found the Bayer company, famous for its analgesics.

1926

August Thyssen, patriarch of the Thyssen family, dies. Fritz Thyssen takes over, starting United Steel Works. George Herbert Walker's son-in-law, Prescott Bush, is hired to handle the United Steel Works account for W. A. Harriman. Prescott Bush is the father of George Herbert Walker Bush.

United Steel will later to be found (during Congressional hearings held after the war) to have supplied more than 50% of all the pig iron for Germany, throughout the war.

September 7, 1926: Irene du Pont gives a speech before the American Chemical Society, in which he advocates the creation of a race of supermen. Injecting special drugs into them during childhood would create these supermen. Not every child would receive such injections; du Pont insisted that only those of pure blood would get the injections.³⁷

1927

Andrew Mellon, Calvin Coolidge's Secretary of the Treasury, "had accomplished the miracle of lowering income taxes and surtaxes and at the same time reducing the national debt. True, he had done this at the expense of the low-income bracket, whose taxes were not reduced at all. On the plea of encouraging industry, he had slashed the levy on large incomes, inheritance and gift taxes to an extent that must have saved [William Randolph] Hearst a cool \$1,000,000 a year over the 1921 rate, and Mellon himself as much."³⁸

John Hylan, Mayor of New York, Conspiracy Theorist

"These international bankers and Rockefeller-Standard Oil interests control the majority of the newspapers and magazines in this country. They use the columns of these papers to club into submission or drive out of office public officials who refuse to do the bidding of the powerful corrupt cliques which compose the invisible government...

The warning of Theodore Roosevelt has much timeliness today, for the real menace of our republic is this invisible government which like a giant octopus sprawls its slimy length over City, State, and nation...

It seizes in its long and powerful tentacles our executive officers, our legislative bodies, our schools, our courts, our newspapers, and every agency created for the public protection...

To depart from mere generalizations, let me say that at the head of this octopus are the Rockefeller-Standard Oil interest and a small group of powerful banking houses generally referred to as the international bankers. The little coterie of powerful international bankers virtually run the United States government for their own selfish purposes. They practically control both parties, write political platforms, make cats paws of party leaders, use the leading

³⁷ Higham, Charles, *Trading with the Enemy*, p. 162-166.

³⁸ Swanburg, W. A., *Citizen Hearst*, p. 479.

men of private organizations, and resort to every device to place in nomination for high public office only such candidates as will be amenable to the dictates of corrupt big business...”

- from a speech by Mayor John Hylan, 1927

1929

The Great Depression begins. As a result of the Depression, Harriman is forced to find a partner to help stabilize the company. The new firm is called Brown Brothers Harriman.

Beginning in 1929, and going to about 1933, famed gangsters Lucky Luciano and Meyer Lansky joined forces to “set up a crime syndicate that Lansky claimed to have modeled on John D. Rockefeller’s Standard Oil Trust.” On the board were several other noted mobsters, including Dutch Schultz, Bugsy Siegel and Vito Genovese. They had been dabbling in heroin smuggling since 1918. Lansky took many trips during this period to visit Fulgencio Batista, the Cuban dictator who had full U.S. support. They set up gambling houses in Havana, giving half the profits to Batista. In exchange, Batista agreed to allow drug shipments from Sicily and Marseille to be stored there before they were distributed throughout the United States.

Santos Trafficante is picked to run the gambling houses in Cuba. He will later be asked by the CIA to assist in the assassination attempts on Fidel Castro.³⁹ He will also figure in the Kennedy assassination aftermath.

Edward Bema, who we met in 1923, is by now doing remarkably well for himself.

“By January of 1929, his clients included the New Jersey Bell Telephone Company, Procter & Gamble, Knox Gelatin, and the American Tobacco Company.” He also pulled off an absurd P.R. blitz by General Electric this year, at a time when G.E. was experiencing some image issues. He had G.E. sponsor an event in praise of Thomas Edison’s invention of the light bulb. Edison ended up going along with it, despite his decided ambivalence toward General Electric.⁴⁰

1930

Dr. Hjalmar Horace Greeley Schacht resigns his presidency of the Reichsbank, due to his opposition to the Young Plan. He meets Goering.

Dr. Schacht will eventually be primarily responsible for Germany’s economic ‘miracle.’ Germany converts to a war economy. The idea is borrowed from the Prussians.

“General Ludendorff, in his book *Total War (Der Totale Krieg)* whose title was mistranslated into English as *The Nation at War*, published in Germany in 1935, had stressed the necessity of mobilizing the economy of the nation on the same totalitarian basis as everything else in order to properly prepare for total war. It was not exactly a new idea among the Germans, for in Prussia during the eighteenth and nineteenth centuries some five sevenths of the government’s revenue, as we have seen, was spent on the Army and the nation’s whole economy was always regarded as primarily not an instrument of the people’s welfare but of military policy.”⁴¹

³⁹ Cockburn, Alexander, and Jeffrey St. Clair, *Whiteout*, p. 122.

⁴⁰ Rampton and Stauber, p. 46-47.

Regarding General Motors in the 1930s

“By the mid-1930s, General Motors was committed to full-scale production of trucks, armored cars, and tanks in Nazi Germany...Alfred P. Sloan, who rose from president of GM to chairman in 1937, paid for the National Council of Clergymen and Laymen at Asheville, North Carolina, on August 12, 1936, at which John Henry Kirby, millionaire fascist lumberman of Texas, was prominent in the delivery of speeches in favor of Hitler. Others present, delivering equally Hitlerian addresses, were Governor Eugene D. Talmadge of Georgia and the Nazi Reverend Gerald L. K. Smith. Sloan frequently visited Berlin, where he hobnobbed with Goering and Hitler...Graeme K. Howard was a vice-president of General Motors. Under FBI surveillance throughout his whole career with the company, he was an outright fascist who wrote a poisonous book, *America and the New World Order*, that peddled the line of appeasement, and a virtually identical doctrine to that of Hitler in terms of free trade and the restoration of the gold standard for the United States of Fascism in which General Motors would no doubt play a prominent part.”⁴²

1931

Dr. Schacht meets Hitler. “...For the next two years [Schacht] devoted all of his considerable abilities to bringing the Fuehrer closer to his banker and industrialist friends and ever closer to the great goal of the Chancellor’s seat.”⁴³

December 1931: Fritz Thyssen makes it official and joins the Nazi Party.

1932

In a memo dated March 22, 1932 --- a full year before Hitler assumed power---the files of J.K. Jenny, of the Foreign Relations Department of du Pont, reveals that I.G. and other German industrialists financed Hitler:

"It is a matter of common gossip in Germany that I.G. is financing Hitler. Other German firms who are also supposed to be doing so are Krupp and Thiessen. How much truth there is in the gossip we are unable to state, but there seems to be no doubt whatever that Dr. Schmitz (director-general of I.G.) is at least a large contributor to the Nazi Party.”⁴⁴

Hitler returns control of the *Gelsenkirhen* company to private hands.

Six million German workers are unemployed.

Henry Harriman states: “Give the President, so far as so constitutionally be done, the right, when Congress is not in session, to suspend the operation of existing laws and to provide for emergency measures required by public welfare.”⁴⁵

1933

⁴² Higham, p. 166.

⁴³ Shirer, p. 205.

⁴⁴ Borkin and Walsh, p. 58.

⁴⁵ Zilg, Gerald Colby, *DuPont: Behind the Nylon Curtain*, p. 265.

January 30, 1933: Hitler sworn in as Chancellor of Germany.

February 20, 1933: A cabinet meeting is held with Hitler's financial backers. Dr. Schact plays host; the meeting is held at Goering's Reichstag President's Palace. "The big businessmen, pleased with the new government that was going to put the organized workers in their place and leave management to run its businesses as it wished, were asked to cough up. This they agreed to do...Goering and Hitler laid down the line to a couple of dozen of Germany's leading magnates, including Krupp von Bohlen, who had become an enthusiastic Nazi overnight, Bosch and Schnitzler of I.G. Farben, and Voegler, head of the United Steel Works."⁴⁶

Hitler gives a speech in which he states: "Private enterprise cannot be maintained in the age of democracy; it is conceivable only if the people have a sound idea of authority and personality...All the worldly goods we possess we owe to that struggle of the chosen...We must not forget that all the benefits of culture must be introduced more or less with an iron fist."⁴⁷

I. G. Farben is given orders to raise the production of synthetic oil to 300,000 tons a year by 1937. They also begin setting up a plant to manufacture buna, a synthetic rubber.⁴⁸

In April of 1933 Gustav Krupp sought out a private meeting with Hitler. Krupp agreed to become Hitler's chief fundraiser and chairman of the Adolf Hitler Fund; in return, Hitler promised to appoint Krupp as the fuehrer of German industry. Over the years, Krupp contributed over six million marks of his own money to the Nazis.

I. G. Farben official Max Ilgner hires public relations hack Ivy Lee to help their image, at a cost of \$25,000 a year. Lee travels to Germany to take meetings with Joseph Goebbels and Hitler. One of Lee's suggestions is for Joachim von Ribbentrop to write articles for U.S. publication and speak out over the radio. Ilgner will be later convicted at Nuremberg.⁴⁹

1934

Dr. Schact, now the Nazi Minister of Economy, gives instructions to hasten the privatization of municipal enterprises.

"All of Schact's admitted wizardry in finance was put to work to pay for getting the Third Reich ready for war. Printing banknotes was merely one of his devices. He manipulated the currency with such legerdemain that at one time it was estimated by foreign economists to have 237 different values...His creation of credit in a country that had little liquid capital and almost no financial reserves was the work of genius, or - as some said - of a master manipulator. His invention of the so-called "Mefo" bills was a good example. These were simply bills created by the Reichsbank and guaranteed by the State and used to pay armament manufacturers...From 1935 to 1938 they were used exclusively to finance rearmament and amounted to a total of twelve billion marks."⁵⁰

⁴⁶ Shirer, p. 265.

⁴⁷ Ibid, p. 265.

⁴⁸ Ibid, p. 389.

⁴⁹ Stauber, John, and Sheldon Rampton, *Toxic Sludge is Good for You*, p. 149.

⁵⁰ Shirer, p. 359.

Meanwhile, John Foster Dulles begins a shell game in which he arranges to hide the Nazi ties of Sullivan & Cromwell clients. One of these clients is Brown Brothers Harriman, whose financial entanglements with the Nazis grow more and more difficult to conceal. The Dulles brothers, however, are up to the task.

Dulles handles the legal end while fellow lawyer George Murnane handles the operational end. Together they fabricate a deal in which the American Bosch Company sells its international interests to the Mendelssohn company of Amsterdam with a right to repurchase them at a later date. Fritz Mannheimer, the head of Mendelssohn, is a German agent.

Still 1934: In the meantime, there is a plot formed against President Franklin Delano Roosevelt. In 1934, Irene du Pont and William Knudsen, the president of General Motors, along with friends of the Morgan Bank and others set into motion a plot to overthrow FDR. They provide \$3 million in funding for an army of terrorists modeled after the French fascist group, Croix de Feu.⁵¹ The objective of the plot was to either force Roosevelt to take orders from this group of industrialists as part of a fascist style-government; or, to execute him if he chooses not to cooperate.

The plotters select General Smedley Butler, a WWI hero to head the plot. Butler was overtly opposed to fascism and had spoken out, denouncing Mussolini as a murderer and thug in 1931.⁵² A J. P. Morgan brokerage lawyer named Gerald MacGuire visited Butler in an attempt to get him to lead the revolt. "Then MacGuire made his pitch. A 'militantly patriotic' veterans' organization, like the fascist Croix de Feu operating in France, was the only kind of organization that could force a change in Washington; he suggested Butler lead such an organization in a 'march on Washington.'"⁵³

In another meeting, MacGuire threatened that if Butler did not accept leadership of the plot, General Douglas MacArthur would replace him. MacGuire claimed that the Morgans favored MacArthur but that he had held out for Butler. In response, the plotters brought in Frank N. Belgrano Junior, a senior vice president of the Gianinni's Bank of Italy that handled Mussolini's business accounts to head the American Legion. Giannini also founded the Bank Of America. Belgrano remained an official of Bank Of America until after the death of the founder, Giannini. After his death, Belgrano founded Transamerica.

Beginning in July 1934, the press (including Henry Luce's *Fortune* magazine) unleashed a propaganda blitz extolling the virtues of fascism. In August, the American Liberty League appeared. Butler had been informed of the appearance of this group as part of the plot beforehand.

David Reed, the Republican Senator from Pennsylvania who remarked on the floor of the senate in May 1932: "I do not often envy other countries and their governments, but I say that if this country ever needed a Mussolini, it needs one now."

⁵¹ Higham, p. 162.

⁵² Archer, Jules, *The Plot to Seize the White House*.

⁵³ Zilg, p. 292.

In the interview with French, MacGuire confirmed what he had told Butler and also confirmed his ebullience for fascism as follows:

"We need a fascist government in this country... to save the nation from the communists who want to tear it down and wreck all that we have built in America. The only men who have the patriotism to do it are the soldiers, and Smedley Butler is the ideal leader. He could organize a million men overnight."⁵⁴

J. P. Morgan wanted a return to the gold standard, and wealthy interests were generally opposed to FDR's 'socialist' reforms. "...MacGuire had been subsequently sent to Europe in the spring of 1934 on 'business' which amounted to a survey of the role played by veterans in Mussolini's Fascisti, in Germany's Nazi Party, and in France's fascist Croix de Feu movement...MacGuire's favorable impressions of European fascism did not exist in a social vacuum, however. Many business leaders, including those in the DuPont camp, and even some liberals for a time, had been infatuated by the fascist movement...In America many openly fascist organizations had sprung up, including the Khaki Shirts, the Blue Shirts, the White Band, the Nationalists, and the Silver Shirts."

"On November 20, 1934, General Butler revealed the whole ugly scheme by testifying before a private session of the Special House Committee on Un-American Activities...But the Committee, perhaps frightened of the implications, refused to delve further into the conspiracy, suppressing much of the most incriminating testimony in its official report to the House on February 15, 1939. Nevertheless, the report confirmed a plot to overthrow Roosevelt with a fascist coup d'etat."⁵⁵

Smedley Butler's Assessment of United States Military Ventures

"I spent thirty-three years and four months in active military...And during that period I spent most of my time being a high-class muscle man for Big Business, for Wall Street and for the bankers. In short I was a racketeer, a gangster for capitalism.

I suspected I was just part of a racket at the time. Now I am sure of it. Like all members of the military profession I never had an original thought until I left the service. My mental faculties remained in suspended animation while I obeyed the orders of the higher-ups. This is typical with everyone in the military service. Thus I helped make Mexico and especially Tampico safe for American oil interests in 1914. I helped make Haiti and Cuba a decent place for the National City Bank boys to collect revenues in. I helped in the raping of half a dozen Central American republics for the benefit of Wall Street.

The record of racketeering is long. I helped purify Nicaragua for the international banking house of Brown Brothers in 1902-1912. I brought light to the Dominican Republic for the American sugar interests in 1916. In China in 1927 I helped see to it that the Standard Oil went its way unmolested.

~~During those years I had, as the boys in the back room would say, a swell racket. I was rewarded~~

⁵⁴ Archer, p. 195-198.

⁵⁵ Zilg, , p. 294-296.

with honors, medals and promotion. Looking back on it, I feel I might have given Al Capone a few hints. The best he could do was to operate his racket in three city districts. I operated on three continents.”⁵⁶

Also in 1934, William Randolph Hearst makes overtures to both Hitler and Mussolini to write columns for him in Hearst publications. ‘He is a marvellous man,’ Hearst wrote. ‘It is astonishing how he takes care of every detail of his job.’⁵⁷ Mussolini agreed. Thus the United Press wire began running columns written by Mussolini’s mistress, as Il Duce did not even bother to write them. However, he did take the \$1750 per column that Hearst offered. Hitler did not begin writing columns, but Goebbels was able to buy Hearst’s cooperation for \$400,000. The latter also had his picture taken with Alfred Rosenberg, which caused him much grief in America. “Doubtless Hearst saw in fascism a useful bulwark against Communism, which terrified him with its threat to liberty and private property. If he had to choose between the two, he would certainly have picked fascism, but the evidence indicates he preferred traditional American democracy above all.”⁵⁸

[Hearst made the same choice that the U.S. government has made, time and again, in preferring fascism to communism. What Swanberg (the author of *Citizen Hearst*) fails to recognize is that what is meant by ‘traditional American democracy’ is typically disguised fascism. That is to say, you are free to vote, as long as your votes fall within a spectrum approved by the government.]

Ivy Lee, the father of the P.R. movement, goes before a House Special Committee because of his involvement in helping Nazi Germany, and I.G. Farben in particular. He states that he met Hitler and asked him to stop persecuting Jews.⁵⁹

1935

Mumane joins the board of directors of the American Bosch Company.

1936

Hitler returns the stock of "United Steel" to private hands. Throughout the 1933-1936 period the Nazi returned to private hands the control of several banks: Dresdner, Danat, Commerz and Privatbank, the Deutsche Bank and several others. In 1936 the steamship company Deutcher Schiff and Maschinenbau was returned to the private sector. Rich industrialists coveted these enterprises, as they had been prosperous even during the depression.

Both in fascist Italy and Nazi Germany the tax system was changed to one favoring business and the wealthy. The Nazi allowed industry to deduct from their taxable income all sums used to purchase new equipment, rich families employing a maid were allowed to count the maid as a dependent child and reap the tax benefit. In Italy the Minister of Finance stated: "We have broken with the practice of persecuting capital."

Less than a million Germans are now out of work, down from six million four years before.

⁵⁶ Greene, Felix, *The Enemy*, p. 102.

⁵⁷ Swanson, p. 310.

⁵⁸ Ibid, p. 526-528.

⁵⁹ Stauber and Rampton, p. 149.

Nevertheless, Goering replaces Schact as economic dictator. Schact has been increasingly unhappy. Some industrialists are also unhappy. "...burdened by increasing taxation and milked by steep and never ending 'special contributions' to the party, the businessmen, who had welcomed Hitler's regime so enthusiastically because they expected it to destroy organized labor and allow an entrepreneur to practice untrammelled free enterprise, became greatly disillusioned. One of them was Fritz Thyssen, one of the earliest and greatest contributors to the party."⁶⁰ Thyssen flees Germany.

Dr. Schact believed that the good economic times could not be extended indefinitely. As an economist, he recognized the essentially short-term lifespan of his own remedies. Hitler was not prepared to listen and replaced him. "...He had concocted any number of fancy schemes, including the use of the new printing press, to raise the money for the new Army, Navy, and Air Force and to pay the armament bills. But there was a limit beyond which the country could not go without becoming bankrupt, and by 1936 he believed Germany was approaching that limit. He warned Hitler, Goering and Blomberg, but to little avail..."⁶¹

America's Ambassador to Germany, William Dodd, reports to President Roosevelt in August, 1936: "At the present moment, more than a hundred American corporations have subsidiaries here or cooperative understandings. The du Ponts have their allies in Germany that are aiding in the armament business. Their chief ally is the I. G. Farben Company (the primary supporter of Hitler)...Standard Oil Company (of New York) sent \$2,000,000 here in December, 1933, and has made \$500,000 a year helping Germans make Ersatz gas for war purposes; but Standard Oil cannot take any of its earnings out of the country except in goods...The International Harvester Company President told me their business here rose 33% a year but they could take nothing out. Even our airplane people have secret arrangements with Krupps. General Motors Company and Ford do enormous business here through subsidiaries and take no profits out. I mention these facts because they complicate things and add to war dangers."⁶²

1937

Mumane becomes chairman of the board at American Bosch. Through this period, the American Bosch Company tried to get the German company to reduce the five percent royalty it paid. To induce the German company to agree, American Bosch volunteers information about costs, selling prices and other competitive data. The Nazi government is delighted in the exchange of data, as it provided them a blueprint of American war production prior to the US entry into the war. As war approaches, the Nazis further camouflage the true owner of American Bosch; John Foster Dulles arranges another sale, this time to the Wallenbergs of Sweden. Besides critical fuel injectors, Bosch also produces walkie-talkies for the Third Reich.

To further conceal the German ownership, Dulles constructs a maze of corporations that seem American without transferring power outside of Germany. He has the Wallenbergs put their shares in Providentia, a Delaware corporation. Dulles was the sole voting trustee of this corporation and has full authority to dispose of the shares.

⁶⁰ Shirer, p. 360.

⁶¹ Ibid, p. 424.

⁶² Sutton, p.

Thomas Watson, director of IBM, states at a business meeting: "I want to pay tribute (to the) great leader, Benito Mussolini. I have followed the details of his work very carefully since he assumed leadership. Evidence of his leadership can be seen on all sides. Mussolini is a pioneer.. Italy is going to benefit greatly."⁶³ Watson would also maintain a correspondence with Dr. Schacht.

"A clique of U.S. industrialists is hell-bent to bring a fascist state to supplant our democratic government and is working closely with the fascist regime in Germany and Italy. I have had plenty of opportunity in my post in Berlin to witness how close some of our American ruling families are to the Nazi regime...Certain American industrialists had a great deal to do with bringing fascist regimes into being in both Germany and Italy. They extended aid to help Fascism occupy the seat of power, and they are helping to keep it there." — William E. Dodd, U.S. Ambassador to Germany, 1937⁶⁴

1939

By this date, I. G. Farben provides the Nazis with 90 percent of their foreign exchange, 95 percent of imports and 85 percent of all military and commercial goods. They will also produce Zyklon-B, the chemical used to gas the Jews in concentration camps.

The Nazis invade Poland. Originally, Hitler had wanted to build factories using Soviet prisoners. However, his deal with Stalin falls through, so he is forced to turn to using gypsies, radicals, and Jews. I. G. Farben builds a factory near the Polish town where these people are being shipped, as the Auschwitz concentration camp gets it start. (These connections were first discovered by author John Loftus, who writes about much of this in his book *The Secret War Against the Jews.*)

Farben also had a deal where Standard Oil would give particular types of rubber solely to the Germans, leaving the Americans without it. "By 1939, Americans were dangerously short of rubber...This deal continued until after Pearl Harbor."⁶⁵

Meanwhile, an agreement between du Pont and Dynamit in 1929 controlled the production of tetrazine, a substance for greatly improved ammunition primers. When WWII began, Remington (controlled by du Pont) received huge British ammunition orders. Because of a clause in the agreement with I.G Farben, the British received an inferior cartridge lacking tetrazine.⁶⁶

1940

"Auschwitz...was soon to become a much more sinister place. In the meantime the directors of I. G. Farben, the great German chemical trust, had discovered Auschwitz as a 'suitable' site for a new synthetic coal-oil and rubber plant...To superintend the new camp and the supply of slave labor for I. G. Farben there arrived at Auschwitz in the who would later become known to the British public as the 'Beast of Belsen,' and Rudolf of his adult life as first a convict and then a jailer - and who in 1946, at the age of forty-six, would boast at Auschwitz he had superintended the extermination of two and a half million persons, not counting another half million who had

⁶³ Black, Edwin, *IBM and the Holocaust*, p. 70.

⁶⁴ Higham, p. 167.

⁶⁵ Ibid, p. 36.

⁶⁶ Ambruster, p. 60-61.

been allowed to ‘succumb’ to starvation.”⁶⁷

Professor Gaetano Salvemini of Harvard is quoted as saying that 100% of American big business interests are sympathetic towards fascism. Corporate America's support for fascism was so great, U.S. Ambassador to Germany, that William Dodd proclaimed:

"A clique of U.S. industrialists is hell-bent to bring a fascist state to supplant our democratic government and is working closely with the fascist regime in Germany and Italy."⁶⁸

November 1940: FDR declares National Bible Week. The National Bible Association organized the celebrations and the event has continued ever since. The NBA is rooted in the National Committee for Religious Recovery, founded in 1940 by New York business interests. In 1941, the National Committee changed its name to that of The Laymen's National Committee.

The first chairman of the National Committee for Religious Recovery was Lambert Fairchild. His words describe the agenda of the National Committee best: "For God and Country you're going to see religion and business formed into a solid phalanx. Let no rabble-rousing communist tell you anything else, you security-holders who want security for your holdings."

Wild Bill Donovan, who will be the head of the Office of Strategic Services in 1942, meets Allen Dulles. Donovan is currently a Wall Street lawyer. The two men discuss Wendell Wilkie's nomination, but Donovan is sure that Roosevelt will be reelected. "With an open grin on his face, he [Donovan] pointed out that Wilkie's nomination would considerably simplify America's situation with regard to the war in Europe. **Since both candidates shared a common viewpoint and advocated a similar policy, it was now all but certain that the incumbent President would be confirmed in the White House for a third term. The inevitable will follow. He knew the way Franklin D. Roosevelt's mind was working, and he saw the way the world political situation was developing. One way or another, by deliberate intervention, or by some sort of incident too grave to be overlooked, the United States was going to be involved in the war.**"⁶⁹ [boldface mine]

This is an intriguing comment, given what we now know about the Pearl Harbor attack and the Roosevelt administration's foreknowledge. This meeting between Donovan and Dulles suggests that the former was in the loop and making preparations. For Donovan, this was a tremendous opportunity, and he no doubt explained in detail to Dulles the extent of that opportunity.

1941

July 1941: The Navy approaches American Bosch on behalf of Caterpillar in order to manufacture diesel equipment. American Bosch responds that although it is willing to modify its exclusive rights, the corporation's rights were indivisible and thus it is unable to grant the request.

July 15, 1941: a report from U.S. Military Intelligence to the War Department described the movement of oil from Aruba to the Canary Islands by Standard Oil. The official report indicated

⁶⁷ Shirer, p. 878.

⁶⁸ Higham, , p. 167.

⁶⁹ Mosley, Leonard, *Dulles*, p. 108.

that Standard Oil is “diverting about 20 percent of this fuel oil to the present German Government. About six of the ships operating on this route are reputed to be manned mainly by Nazi officers...The informant also stated that the Standard Oil Company has not lost any ships to date by torpedoing as have the other American companies whose ships operate to other ports.”⁷⁰

October 28, 1941: Cordell Hull sends a letter to the U.S. Treasury Department, care of Edward S. Foley, Jr. (Robert Morgenthau was on vacation.) The letter inquired whether Standard Oil could continue to have dealings with names that appeared on a blacklist of Nazi collaborators. “Incredibly, he even asked whether Standard Oil might, through its subsidiary, Standard Oil of Brazil, sell petroleum to Nazi Condor, largely through Aruba.” Foley wrote back with an answer of ‘no’ - except as ‘defined’ by executive order 8389. In other words, he left the door open for Standard Oil to proceed - and they did.⁷¹

December 7, 1941: Pearl Harbor attacked by the Japanese. The Roosevelt administration is well aware of the attack in advance. After nearly sixty years of speculation and argument, author Robert Stinnett proves the case, having obtained the relevant documents via Freedom of Information Act requests. The essential proof lies in the fact that the Americans had cracked the Japanese codes long before the attack occurred, and had indeed pursued a policy that virtually guaranteed such an attack would be undertaken. Stinnett reveals that intelligence officers including Theodore Wilkinson (FDR’s Director of Naval Intelligence) and Edwin Layton (intelligence officer to the Pacific Fleet) gave false testimony to the 1945 Pearl Harbor investigation. It was, in short, a conspiracy, and one agreed upon at the highest levels.⁷²

Recalling the remarks of Wild Bill Donovan to Allen Dulles, that he knew “Roosevelt’s thinking” on this matter, could he have been obliquely referring to such an operation? Without speculating, it certainly seems suggestive that Donovan knew at least that FDR would not be bothered by ethical niceties in pursuing American involvement in the war.

For more on the Pearl Harbor attack, please see Stinnett’s *Day of Deceit*, which includes copies all of the necessary documents to reveal the truth.

1942

FDR creates the OSS, led by Wall Street lawyer General William “Wild Bill” Donovan. Donovan had recently recruited a man by the name of Richard Helms. Helms had worked for the United Press, scoring an interview with Hitler in 1936. Helms “would become the most important sponsor of mind-control research within the CIA, nurturing and promoting it throughout his steady climb to the top position in the Agency.” Stanley Lovell, a Boston industrialist hand-picked by Donovan, led OSS Research and Development.⁷³

Joseph Goebbels, the Nazi Minister of Propaganda, points to Reader's Digest as a “voice in the wilderness” because of its editorializing for the United States to stay out of the war. In fact, the 805th Nazi Tank Destroyer Battalion often fired copies of the magazine at the American troops

⁷⁰ Higham, p. 40-41.

⁷¹ Ibid, p. 41.

⁷² Stinnett, Robert, *Day of Deceit*, p. 110.

⁷³ Marks, John, *The Search for a Manchurian Candidate*, p. 13-14.

as a form of psychological warfare. This will not be the last time Reader's Digest is connected with fascists.

March 1942: Thurman Arnold brings information to the attention of Harry Truman, who is holding hearings about Standard Oil's business practices during the war. "[Arnold] produced documents showing that Standard and Farben had literally carved up the world's oil markets, with oil and chemical monopolies established all over the map...Leaving the Senate chambers on March 28, surrounded by lots of reporters and photographers, Truman was asked, 'Is this treason?' He replied in the affirmative."⁷⁴ However, nothing would come of it. No one would be indicted; Roosevelt stepped in and closed the hearings.

One of those investigated, a man named William Farish - the President of the Standard Oil Company in New Jersey - pleads nolo contendere on March 25th, 1942 to conspiring with Nazi Germany. Through the years, he will continue to be a family friend of the Bushes.

May 1942: American Bosch is confiscated under the Alien Property Custodian Act.

...SKF [an enormous ball-bearings trust] directors protected their associated chemical company, I. G. Farben's Bosch, with the aid of John Foster Dulles. Dulles, the Bosch/General Aniline and Film attorney, set up a voting trust to protect the company with himself and Batt as trustees after Pearl Harbor. He was thus enabled to save the company from being seized until the spring of 1942, five months after America was at war."⁷⁵

May 1942: There is at least one report that Standard intended to resume its cartel link with I.G. following WWII. Walter Winchell states that a news broadcaster for CBS had been effectively silenced when reporting on both the Truman and Boone Committees. This broadcaster had included in his script reports that Standard intended to resume ties with I.G. when the war ended. A CBS censor killed the item, and was reported to have told the broadcaster to "go easy on Standard, you know we carry plenty of their business."⁷⁶

A 1942 Treasury report on espionage and saboteurs states: "In the twenty year period between 1919-1939, German interests succeeded in organizing within the United States another industrial and commercial network centered in the chemical industry. It is unnecessary to point out that these business enterprises constituted a base of operations to carry out the Axis plans to control production, to hold markets in this Hemisphere, to support fifth column movements, and to mold our postwar economy according to Axis plans. This problem with which we are now faced is more difficult than, although somewhat similar to, the problem faced by us in 1917. The background is vastly different from that which existed in 1917.

Certain individuals who occupied a dominant place in business enterprises owed all of their success to their business contacts in the past with I.G. Farben."

In October 1942, ten months after entering World War II, America prepares its first assault against Nazi military forces. Prescott Bush was managing partner of Brown Brothers Harriman.

⁷⁴ Higham, p. 47.

⁷⁵ Ibid, p. 118.

⁷⁶ Ambruster, p. 322-323.

His 18-year-old son George, the future U.S. President, had just begun training to become a naval pilot.

On October 20, 1942, the U.S. government orders the seizure of Nazi German banking operations in New York City that were being conducted by Prescott Bush. One of these operations is Union Banking.

**

Stanley Lovell, working for the OSS, first comes up with the idea to create a “Manchurian candidate.” (He did not call it that; the term was unknown until Richard Condon’s 1959 novel and subsequent film.) He wants to create a mind-controlled assassin to kill Hitler.⁷⁷

Also in 1942, the Vatican Bank is established. “The Vatican Bank had been established in 1942 by Paul’s predecessor, Pope Pius XII, to secure certain Vatican monies from the effects of World War II. Most of its holdings came from a 1929 agreement with Benito Mussolini, who paid the Holy See \$83 million as compensation for papal territory seized by the Italian republic in the previous century.”⁷⁸

June 3, 1942: “The secret influence of the international cartel is going to be thrown in favor of peace without victory when the first opportunity arises - just as it was thrown in that direction at Munich.

The small group of American businessmen who are parties to these international rings are not unpatriotic, but they still think of war as a temporary recess from business as usual with a strong Germany. They expect to begin the game all over again after the war.

It is significant that all these cartel leaders still talk and think as if the war would end in a stalemate, and that therefore, they must be in a position to continue their arrangements with a strong Germany after the war. This is not shown by their speeches, but by actual documents and memoranda of business policy which we find in their files.” — Assistant Attorney General Thurmond Arnold, from a speech before the Illinois Bar Association.

1944

June 1944, after the D-Day invasion, “some 10,000 intelligence officers known as T-Forces were right behind the advance battalions. Their mission: seize munitions experts, technicians, German scientists and their research materials, along with French scientists who had collaborated with the Nazis. Soon a substantial number of such scientists had been picked up and placed in an internment camp known as the Dustbin.”⁷⁹

October 11, 1944: A secret government document with this date concludes that John Foster

⁷⁷ Marks, p. 20.

⁷⁸ Lernoux, Penny, *In Banks We Trust*, p. 182.

⁷⁹ Cockburn & St. Clair, p. 146.

Dulles must have certainly known that American Bosch was German-owned.⁸⁰

“He had maintained close contact with du Pont ever since 1925, when, as a member of the State Department and later, he had winked at du Pont’s illegal dealings with German arms manufacturers and persuaded the Senate to overlook them too. His efforts had been rewarded and he was now a shareholder in some of the companies.”⁸¹

December 1944: OSS head Wild Bill Donovan tells FDR “to approve a plan allowing Nazi intelligence officers, scientists and industrialists to be ‘given permission for entry into the United States after the war and the placing of their earnings on deposit in an American bank and the like.’” FDR says no, but the program was put into place anyway.⁸²

1945

The Origin of Richard Nixon: In 1945 the navy captured documents from the Nazi oil cartel, *Kontinentale OI A. G. Konti* headed by former Reichsbank officer Karl Blessing.

A young naval officer was assigned to review those Konti documents. Allen Dulles had personally vouched for Blessings as an anti-Nazi. If Blessing had gone down as a war criminal and a Nazi, Dulles and his clients would go down as traitors. Dulles personally asked the young naval officer to keep quiet about those documents in exchange for financing the young man's first congressional race, thus was launched the political career of Richard Nixon.⁸³

July 1945: Operation Overcast sees Nazis smuggled into the United States. One of these Nazis is Werner Van Braun, who will later become a key figure in American scientific circles.⁸⁴ For more along these lines, see John Judge’s essay [Good Americans](#).

In Guatemala, where United Fruit - known locally as La Frutera - is an enormous industry owned by Americans and containing CIA ties. In 1945, “a college professor touring Guatemala complained to the State Department that United Fruit was ‘totally indifferent to the economic welfare’ of Guatemala’s native population. He received the reply that the continuation of such correspondence ‘would not serve any useful purpose.’”⁸⁵

1946

January 1946: Washington Post owner Eugene Meyer agrees to become the first head of the World Bank, having been appointed by Harry Truman. Meyer’s son-in-law Philip Graham takes over the ‘family business,’ as it were. He is married to Meyer’s daughter, Katharine, who will become famous after the publication of The Pentagon Papers.

Phil Graham had considerable ties to the intelligence industry. Several of the people Graham found in the Post news division had intelligence ties. One of his best friends is Frank Wisner, who had been recruited by Donovan into the OSS. Wisner would later become head of the covert

⁸⁰ Lisagor and Lupius, p. 146-151.

⁸¹ Mosley, p. 92.

⁸² Cockburn & St. Clair, p. 146.

⁸³ Loftus and Aarons, p. 221.

⁸⁴ Cockburn & St. Clair, p. 146.

⁸⁵ Immerman, Richard H., *The CIA in Guatemala*, p. 74.

operations division of the CIA, and he and Graham - as an antidote to Communism, they thought - conceived of the plan given the name Operation MOCKINGBIRD. Wisner and his friend discuss the plans with CIA agents. One agent remarks, "You could get a journalists cheaper than a good call girl."⁸⁶

Phil and Katharine even move into Wild Bill Donovan's old house.

September 1946: Project Paperclip begins. Harry Truman approves the project, which was inspired by Allen Dulles. "The mission is to bring back no less than 1,000 scientists."⁸⁷ Richard Helms assists many Nazis escape; he will later become director of the CIA under Lyndon Johnson.

Throughout the rest of the century, the CIA would support the toppling of left-wing governments while aiding right-wing governments. Italy was one such example. "In the years after World War II, the CIA pumped some \$65 million into Italy to support centrist and right-wing political parties, as revealed by the House of Representatives' Pike Report on CIA activities."⁸⁸

1947

The National Security Act creates the CIA

Klaus Barbie becomes a paid asset of American intelligence. He was shipped from Germany to Bolivia via the famous 'ratlines' - the route taken by Nazi war criminals that escaped with the aid of the CIA and the Vatican. He will eventually engage in torture, as well as arms and drugs trafficking.⁸⁹

"According to the Justice Department's 218-page report on Barbie, he left Europe with Red Cross papers supplied by a Croatian priest. (Some fifty thousand Nazi war criminals were aided by the International Red Cross, which sent them to South America on Bishop Alois Hudal's "underground railroad," some with fake Vatican passports and clerical robes.) Barbie was not the first war criminal to receive American aid; the Justice Department also documented several cases in which prominent Nazis were smuggled into the United States for training as anti-Soviet agents."⁹⁰

Besides Barbie, another key figure smuggled away by the United States was Reinhard Gehlen. "General Reinhard Gehlen was the head of German military intelligence on the eastern front. That's where the real war crimes were...Gehlen and his network of spies and terrorists were taken over quickly by American intelligence and returned to essentially the same roles. If you look at the American army's counterinsurgency literature (a lot of which is now declassified), it begins with an analysis of the German experience in Europe, written with the cooperation of Nazi officers. Everything is described from the point of view of the Nazis - which techniques for controlling resistance worked, which ones didn't."⁹¹

⁸⁶ Davis, Deborah, *Katharine the Great*, p. 108-131.

⁸⁷ Cockburn & St. Clair, p. 148.

⁸⁸ Lernoux, p. 187.

⁸⁹ Cockburn & St. Clair, p. 167.

⁹⁰ Lernoux, p. 175.

⁹¹ Chomsky, Noam, *Secrets, Lies, and Democracy*, p. 88.

The CIA interferes in Greece.

1948

Frank Wisner becomes the director of the CIA's Office of Policy Coordination. From this position, Wisner will be able to install 'Wisner's Wurlitzer,' a worldwide propaganda scheme aided and abetted by the major U.S. media organizations.

1950

Operation BLUEBIRD begins. The program, set up by the CIA, focuses on hypnosis. "Inspired" by the Hungarian trial of Josef Mendsintsky (in which he confessed to crimes against the state while in a glassy-eyed condition), this is the first official foray into mind-control research.⁹²

December 1950: Klaus Barbie (with family in tow) is smuggled into Bolivia via the ratline.

Between 1950 & 1952, as the project shuffled between different areas of the CIA, it was eventually rechristened Project ARTICHOKE.

Operation MOCKINBIRD begins. Edward Hunt, ex-OSS agent recruited by Allen Dulles, conceives of the operation as a takeover of the media to provide pro-American propaganda on a massive scale. The first Covert Action Chief of the CIA, Frank Wisner, calls this process 'Wisner's Wurlitzer.' Wisner brags that the Company can modify and/or create positive press coverage anywhere on the planet.

Wisner goes on to marry Katherine Graham of Washington Post editorial fame. The Post over the years will prove to be the single biggest cheerleader for the CIA in the American media - although, as the end of the century approaches, the competition grows fierce.

1951

Also in the early 1950s, there began to be a direct connection between CIA interference in various spots around the world, and an increase in drug production. "When the CIA began its covert involvement in Burma in the early 1950s, local opium production was in the order of eighty tons a year. Ten years later, thanks to KMT [Kuomintang] warlords supported by CIA and Civil Air Transport (later Air America), the region produced 300- 400 tons a year. During the Vietnam War, production at one point reached 1,200 tons a year."⁹³

February 8, 1951: Fritz Thyssen dies in Argentina. The assets of Union Banking are released by the Alien Property Custodian to Brown Brothers Harriman. Prescott Bush himself earns \$1.5 million from this transaction. Part of that money is placed into trust funds for his children and grandchildren, including George Herbert Walker Bush and George W. Bush.

1952

Allen Dulles becomes head of the CIA. "For most of the nine years that Dulles headed the

⁹² Marks, p.22-24.

⁹³ Scott, Peter Dale, *Drugs, Oil, and War*, p. 40.

intelligence community, he worked with the same three assistants at the CIA: Charles Pearre Cabell, a gray-haired but youthful-looking four-star Air Force general and West Point graduate, was his deputy director. A Texas from Dallas (where his brother Earle was the mayor), he was the former head of Air Force Intelligence. He came to the CIA in 1953. Richard Bissell, the deputy director for plans, who joined the CIA in 1954. Robert Amory, the brother of the writer Cleveland Amory, and a former Harvard Law School professor...He became the CIA's deputy director for intelligence in 1953."⁹⁴

Dulles begins to contribute occasional articles to Reader's Digest. It is a hard-core right-wing magazine, and remains so to the present.

1953

April 13, 1953: This is the date MK-ULTRA begins. CIA director Allen Dulles approved of Richard Helms's proposal to investigate covert "biological and chemical materials." MK-ULTRA would be funded by the CIA to explore mind control. From 1951 to 1956, the CIA Technical Services Division was headed by Dr. Sidney Gottlieb. He was a friend of Helms, who at the time was the deputy director for covert operations. MK-ULTRA fell under the province of Technical Services.

"But now he [Allen Dulles] was interested in the more sinister Agency experiments in mind-bending drugs, portable phials of lethal viruses, and esoteric poisons that killed without a trace. Allen's sense of humor was touched when he learned that the unit working on these noxious enterprises was called the Health Alteration Committee (directed by Dr. Sidney Gottlieb and Boris Pash), and he added to his collection of CIA curios a noiseless gun which the committee had produced for firing darts smeared with LSD, germs, or venom at enemy agents or foreign personalities whose existence the CIA was finding embarrassing."⁹⁵

There are several famous scientists whose work is associated with MK-ULTRA.

"The well-known psychiatrist Loretta Bender was also a recipient of MK-ULTRA funds. The author of the Bender-Gestalt used her CIA money to pump hallucinogens, including LSD, into children between the ages of seven and eleven. Many of the children were kept on the drugs for weeks at a time. In two cases, Dr. Bender's "treatments" lasted, on and off, more than a year."

Dr. Louis Jolyon 'Jolly' West received grants from MK-ULTRA. He used these, from his office at the University of Oklahoma, to research methods of controlling youth gangs.

For an excellent resource on the murder of Frank Olson, as well as more background information on the MK-ULTRA subject, try the book *A Terrible Mistake* by H. P. Albarelli.

http://www.huffingtonpost.com/melissa-roddy/a-terrible-mistake-hp-alb_b_485774.html

Dr. Ewen Cameron conducted research into 'depatteming.' He was quite famous. "He headed both the American Psychiatric Association and the World Psychiatric Association. He sat on numerous boards and was a contributing editor to dozens of journals. He also enjoyed a long

⁹⁴ Wise, David, and Thomas B. Ross, *The Invisible Government*, p. 101.

⁹⁵ Mosley, p. 439.

relationship with U.S. intelligence agencies dating back to World War II, having been brought to Nuremberg by Allen Dulles to help evaluate Nazi war criminals, most notably Rudolf Hess.”

Cameron received money not only from MK-ULTRA (beginning in 1957) but also from the Rockefeller Foundation.

Cameron called his research ‘psychic driving.’ He used sensory deprivation (for periods of over a month in some cases), LSD, injections of curare, electro-shock, and prolonged sleeping via Thorazine, Nembutal and Seconal. He experimented on hundreds of patients, most of whom were women.⁹⁶

The CIA gives money to the Eli Lilly Corporation to produce synthetic LSD. It succeeds in 1954. (Eli Lilly, of course, will go on to make Prozac, among other things.)

The CIA intervenes in Iran. “There is no doubt at all that the CIA organized and directed the 1953 coup that overthrew Premier Mohammed Mossadegh and kept Shah Mohammed Reza Pahlevi on his throne. But few Americans know that the coup that toppled the government of Iran was led by a CIA agent who was the grandson of President Theodore Roosevelt...Kermit “Kim” Roosevelt...Gulf named him a vice- president in 1960.”⁹⁷

Iran, “dominated by British and U.S. oil companies and intelligence agencies, was producing 600 tons of opium a year and had 1.3 million opium addicts, second only to China where, at the same moment, the western opium imperialists still held sway. Then, in 1953, Mohammed Mossadegh, Iran’s nationalist equivalent of China’s Sun Yat-sen, won elections and immediately moved to suppress the opium trade. Within a few weeks, U.S. Secretary of State John Foster Dulles was calling Mossadegh a madman, and Dulles’s brother Allen, head of the CIA, dispatched Kermit Roosevelt to organize a coup against him. In August 1953 Mossadegh was overthrown, the Shah was installed by the CIA, and the oil and opium fields of Iran were once again in friendly hands.”⁹⁸

“Although Iran remained pro-West after the 1953 coup, little was done to alleviate the terrible poverty in that ancient land. Somehow, the oil wealth of Iran never trickled down to the people. A total of \$1,300,000,000 in United States aid poured in during twelve years since 1951, but much of it appeared to stick to the fingers of the hopelessly corrupt officialdom.”⁹⁹

The President of Standard Oil in California makes the following statement: “Two kinds of peace can be envisaged. One would enable the United States to continue its rearmament and to maintain important military forces in the Far East; it would have very little effect on industry, since the maintenance of a peace-time army requires almost as much oil as in time of war. But if there should be a great improvement in the relations between the United States and the Soviet Union, and in particular a disarmament agreement, the blow to the oil industry and the rest of the economy would be terrific.”¹⁰⁰ This illustrates a basic truth about the economy of the United

⁹⁶ Cockburn & St. Clair, p. 196-202.

⁹⁷ Wise and Ross, p. 110.

⁹⁸ Cockburn & St. Clair, p. 261.

⁹⁹ Wise and Ross, p. 113.

¹⁰⁰ Hepburn, James, *Farewell America*, p. 147.

States. It is tied to the fate of the U.S. military, the biggest corporate entity in the world and the biggest consumer of fossil fuels.

1954

The U.S. supplies arms to insurgents in Guatemala, as the CIA supports the overthrow of the Armas government. “In Washington Mr. Dulles declared that the success of this wholly illegal invasion added ‘a new and glorious chapter to the already great tradition of the American States.’ The justification for this invasion (as could be expected) was that ‘international communism’ had ‘gained a political base’ in Guatemala - although the State Department itself in an official White Paper admitted that the number of communists in the country was probably not more than 3,000 - 4,000. No cabinet members were communists.”¹⁰¹

The CIA plans the destruction of the Arbenz government in Guatemala, without providing actual troops. The plan works, and afterward President Eisenhower “adamantly opposed bringing Guatemala’s complaints before the [United Nations] Security Council”¹⁰² This of course comes as no surprise, since the U.N. is either vigorously supported or ignored by the United States to precisely the degree it serves as a rubber stamp to U.S. policy.

At the same time, a top-secret report for President Eisenhower is written which will justify U.S. criminality for the remainder of the century. Quoting directly from the report: “It is now clear that we are facing an implacable enemy whose avowed objective is world domination by whatever means and at whatever cost. There are no rules in such a game. Hitherto acceptable norms of human conduct do not apply. If the United States is to survive, longstanding concepts of ‘fair play’ must be reconsidered...It may become necessary that the American people be made acquainted with, understand, and support this fundamentally repugnant philosophy.”¹⁰³

1955

May 1955: Allen Dulles proposes an MK-ULTRA ‘hospital’ where experiments can be conducted in one place. Nelson Rockefeller agrees to provide the financing. “During Nelson’s chairmanship of the Special Group, the CIA also searched for some means to program assassins...The CIA officer in charge of security for the operation was Sheffield Edwards. Edwards later worked under Edward Lansdale in Operation MONGOOSE, the assassination attempts against Cuba’s Fidel Castro.”¹⁰⁴

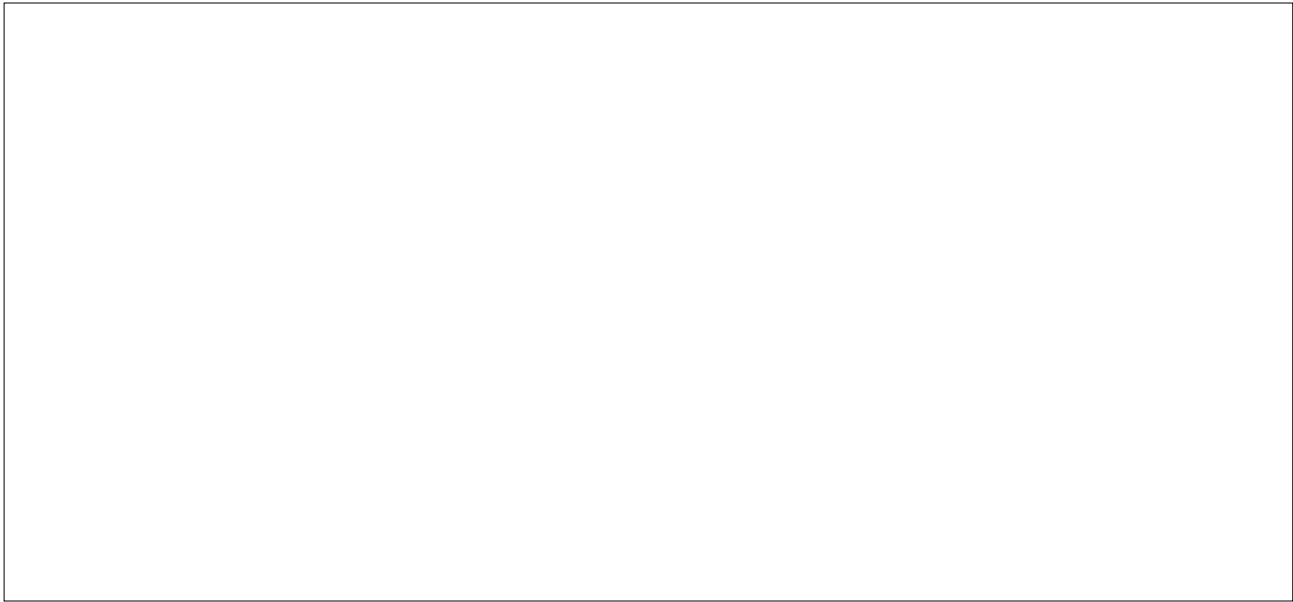
The CIA has a ‘safe house’ in San Francisco, on Telegraph Hill, which it transforms into an MK-ULTRA laboratory. Behavior modification and control experiments will take place at Telegraph Hill, including dumping LSD and marijuana on unknowing people. The project, referred to as Operation Midnight Climax, involves using prostitutes to lure men into the ‘safe house’ where the drugs can be administered.

¹⁰¹ Greene, p. 175.

¹⁰² Immerman, p. 169.

¹⁰³ The Doolittle Report. See https://www.cia.gov/library/center-for-the-study-of-intelligence/kent-csi/vol36no3/html/v36i3a05p_0001.htm

¹⁰⁴ Colby, Gerard, and Charlotte Dennett, *Thy Will Be Done: The Conquest of the Amazon: Nelson Rockefeller and Evangelism in the Age of Oil*, p. 266.



Your Tax Dollars at Work

From an invoice dated June 30, 1955, referring to changes the CIA ordered to the Telegraph Hill safe house in converting it to a den of prostitutes and drug experiments:

“SHOP LABOR FOR DRAPERIES ETC. (CONTINUED)

labor to shorten and remake red metallic panels into one large divider curtain	7.50
labor to re-head, shorten and press plaid hall curtains	3.50
labor to sponge and press red bedroom curtains	1.50
1 French “Can-Can Dancers” picture, unframed	35.00
1 African textile, framed	8.50
2 framed floral pictures @ 12.50	25.00...
	40.50...

3 Framed Toulouse-Lautrec posters with black silk mats @ 13.50	
Labor and materials to frame “Can-Can Dancers” Picture, including heavy black frame and silk matting	18.50

1956

The CIA interferes in Costa Rica. “In the mid-1950s CIA agents intruded deeply into the political affairs of Costa Rica, the most stable and democratic republic in Latin America...The CIA’s purpose was to promote the ouster of Jose (Pepe) Figueres, the moderate socialist who became President in a fair and open election in 1953. In March of 1954, in the course of a Senate speech, Senator Mansfield cited a newspaper report to the effect that ‘a CIA man was caught red-handed’ in the ‘tapping of the telephone of Jose Figueres...I do not need to point out the tremendous impact which this sort of activity could have in our foreign policy.’”¹⁰⁵

Legendary spy James Jesus Angleton delivers a copy of a Nikita Krushchev’s ‘secret speech’ to Allen Dulles. He does so using his special contacts with the Israeli Mossad. Angleton will retain these Mossad contacts throughout his professional career. As a result, he is given the Israeli ‘account’ by the CIA. The CIA sends a great deal of money and technical assistance to the Mossad.¹⁰⁶

1957

Beginning in 1957, and continuing to at least 1960, the CIA performs a series of experiments on people committed for sexual crimes in a Michigan state hospital. No consent is obtained, and once again these experiments involve administering LSD, along with other drugs.

A document, obtained under FOIA, describes the program. “The Hospital has one thousand, one hundred and thirty-five (1,135) beds. At the present time there are one hundred and forty-two (142) nonpsychotics classified as criminal-sexual psychopaths...The superintendent of the Hospital is [name redacted], a witting member of the research team. The institution comes under the direction of the Executive Secretary of the State Department of Mental Health and any research project is normally approved by the Co-ordinator of Research of the State Department of Mental Health [name redacted] will secure this approval...[name redacted] has suggested one of the psychiatrists from his staff who is interested and has used drugs in the treatment of patients and has also used hypnosis with mental patients...One team working with the selected group of patients will use straight interrogation, hypnosis and hypnosis and LSD and hypnosis and a tetrahydrocannabinol acetate derivative...A meeting off all members of the research project will be briefed on the drugs to be used and of the pharmacological and medical knowledge gained so far in the use of these drugs...”

1959

Fidel Castro overthrows Fulgencio Batista and becomes dictator of Cuba.

The CIA immediately begins a series of futile efforts to assassinate Fidel Castro.

1960

The CIA’s involvement in narcotics trafficking becomes more than just a whisper in the hallways in Washington. “The climate was changing. Stories were coming back from Asia about what the CIA was doing in Vietnam and Laos, and no one liked what they heard. Could it be true, as it was rumored in certain restricted circles in Washington, that the CIA in Southeast Asia was

¹⁰⁵ Wise and Ross, , p. 119.

¹⁰⁶ Millar, Nathan. *Spying for America*, p. 401-402.

actually running heroin and using it as a currency for paying for covert operations in Saigon, Pnom Phen, and Vientiane?”¹⁰⁷

A CIA cable from Allen Dulles to a Station Officer discusses the options in dealing with Patrice Lumumba. “In high quarters here,” Dulles writes, “it is the clear-cut conclusion that if [Lumumba] continues to hold high office, the inevitable result will be at best chaos and at worst pave the way to communist takeover of the Congo with disastrous consequences for the prestige of the U.N. and for the interests of the free world generally. Consequently, we conclude that his removal must be an urgent and prime objective and that under existing conditions this should be a high priority of our covert action.”¹⁰⁸ The existence of this cable, and others like it, did not surface until the Pike & Church Committees of 1976. This particular quote is drawn for the Congressional Report on Assassinations.

May 1960: Francis Gary Power crash lands the U-2 spy plane in Russia, causing a worldwide sensation.

The Pentagon is “the world’s largest corporation” with \$60 billion in assets, including 32 million acres of land in the United States. “Its holdings were twice as large as large as those of General Motors, U.S. Steel, AT&T, Metropolitan Life, and Standard Oil of New Jersey combined.”¹⁰⁹ [boldface mine]

In other words, the U.S. military is big business - by an exponential margin, the biggest and most profitable business in the world.

1961

“Assassination of Castro seemed to have been a recurrent idea in the CIA during those years...In November 1961, President Kennedy mentioned the idea in a private chat with Tad Szulc, then of the New York Times. Kennedy asked the newsman, ‘How would you feel if the United States assassinated Castro?’ When Szulc said he thought it was a very poor idea, Kennedy said ‘I’m glad you feel that way because suggestions to that effect keep coming to me, and I believe very strongly the United States should not be a party to political assassination.’ Lyndon Johnson told his former aide Leo Janos, as recounted in a July 1973 Atlantic article, ‘We had been operating a damned Murder, Inc. in the Caribbean.’ Janos elaborated, ‘A year or so before Kennedy’s death a CIA-backed assassination team had been picked up in Havana. Johnson speculated that Dallas had been a retaliation for this thwarted attempt, although he couldn’t prove it.’”¹¹⁰

November 16, 1961: John F. Kennedy tells a Seattle luncheon crowd that “We must face the fact that the United States is neither omnipotent nor omniscient - that we cannot impose our will upon the other 94 percent of mankind - that we cannot right every wrong or reverse each adversity - and that therefore there cannot be an American solution to every world problem.”¹¹¹ It is difficult to overstate how radical a statement this is in light of the U.S. government’s constant

¹⁰⁷ Mosley, p. 457- 458.

¹⁰⁸ S.S.C. Assassination Report, p. 135.

¹⁰⁹ Hepburn, p. 126.

¹¹⁰ Marchetti, Victor, *The CIA and the Cult of Intelligence*, p. 260.

¹¹¹ Hepburn, James, p. 138-139.

interference into other countries. One can get a sense of it by imagining that a public figure were to make such a statement right now.

1962

The U.S. overthrows the Peruvian government. “The U.S. had supplied Peru, between 1945 and 1960, with \$83 million of military assistance (for ‘hemisphere defense’). On July 19th, 1962, the constitutional government of Peru was overthrown by a military coup. It was a U.S. Sherman tank that (at 3 a.m.) broke down the gates of the Pizarro Palace, and the officer who led the assault and arrested seventy-two-year-old President Prado was Colonel Gonzalo Briceno, a graduate of the U.S. Ranger School at Fort Benning, Georgia. The following year the U.S. military assistance programme to Peru was almost doubled.¹¹²

General Edwin A. Walker runs unsuccessfully for Governor of Texas, losing to John Connally. His supporters include the Minutemen and the John Birch Society. One of his best friends is the powerful oil magnate Henderson Lafayette Hunt. H. L. Hunt has also been active in politics, having supported Douglas MacArthur for President. He has also financed hard right-wing programs on radio and television.¹¹³

In the meantime, both the art of public relations and the U.S. government’s control of media outlets continue to grow in sophistication. Malcolm X calls attention to the type of manipulation that occurred when he gave quotes to the press: “Those social workers and sociologists - they tried to take me apart. Especially the black ones...the white man signed their paychecks. If I wasn’t ‘polarizing the community,’ according to this bunch, I had ‘erroneously appraised the racial picture.’ Or in some statement, I had ‘over-generalized.’ Or when I made some absolutely true point, ‘Malcolm X conveniently manipulated...’”¹¹⁴

1963

The CIA’s Inspector General releases a report stating that, for more than 10 years, the CIA had been “engaged in research and development of chemical, biological and radiological materials capable of employment in clandestine operations to control human behavior. The 1963 report went on to say that CIA director Allen Dulles had approved various forms of human experimentation as ‘avenues to the control of human behavior’ including ‘radiation, electroshock, various fields of psychology, sociology and anthropology, graphology, harassment studies and paramilitary devices and materials.’”¹¹⁵

August 3, 1963: Phil Graham, who has been suffering from manic depression for some time, calls his wife to tell her he’s feeling better and would like to come home from the sanitarium. She picks him up and takes him to their farm in Virginia. After spending some time together, Katharine takes a nap. Phil goes into the bathroom and shoots himself in the head.¹¹⁶

November 22, 1963: John F. Kennedy is assassinated in Dallas. Lee Harvey Oswald is arrested

¹¹² Greene, p. 126.

¹¹³ Hepburn, p. 241- 242.

¹¹⁴ Haley, Alex, *The Autobiography of Malcolm X*, p. 267.

¹¹⁵ Cockburn & St. Clair, p. 160.

¹¹⁶ Davis, p. 159.

shortly thereafter and blamed for the crime. There is no trial, however, as a man named Jack Ruby shoots and kills Oswald on live television.

“The N.Y. Stock Exchange closes after the market falls 24 points. Certain individuals make over \$500 million selling short.”¹¹⁷ I point out this detail because the same thing happened during the 9/11 attacks; the difference was that this latter incident provided billions in profit to unknown persons.

CIA agent Gary Underhill, on the day of the Kennedy assassination, tells his friend Robert Fitzsimmons that he has to leave the country. “I’ve got to get out of the country,” he says. “Oswald is a patsy. They set him up...They’ve killed the President! ...They’re a bunch of drug runners and gun runners - a real violence group. God, the CIA is under enough pressure already without that bunch in Southeast Asia...I know who they are. That’s the problem. They know I know.” Underhill goes back to Washington and begins investigating the JFK assassination. Six months later, he reportedly shoots himself behind his left ear.¹¹⁸

Anyone who reads this timeline will realize the inherent plausibility of the description “‘gun runners’ and ‘drug runners’ operating in Southeast Asia.”

A U.S. marine who had served with Lee Harvey Oswald, Nelson Delgado, testified to the Warren Commission that Oswald was not a good shot. He also noted that Oswald did not take proper maintenance of his rifle - the infamous Manlicher-Carcano - because of his lack of interest.¹¹⁹ Oswald’s own military records indicate he was a poor shot. The rifle he supposedly chose was the bane of Italians who served during World War II - it was joked that the gun never killed anyone on purpose. (In point of fact, the gun was identified initially as a German Mauser - a much more plausible weapon for assassination - and the identifier signed an affidavit to that effect.)¹²⁰

Affidavit: <http://www.maryferrell.org/mffweb/archive/viewer/showDoc.do?absPageId=144427>

It only changed into a Manlicher-Carcano when it was discovered that Oswald owned one. See Mark Lane’s film *Two Men in Dallas*.) There are endless such irregularities, and books have been written about them.

Later that same day, mobster/CIA hire Santos Trafficante has a meeting with Frank Ragano in Florida. [See 1929.] Trafficante announces that he hopes “Jimmy Hoffa is happy. We will build hotels now. We’ll be back in Cuba now.” He ends with a toast to Frank Ragano’s “health” and “John F. Kennedy’s death.”¹²¹

Oswald, far from being an unknown loner, is quite well-connected.¹²²

Many, many people who are not so-called ‘conspiracy theorists,’ but rather elected officials and

¹¹⁷ Fetzer, James, ed., *Murder in Dealey Plaza*, p. 95.

¹¹⁸ Fetzer, p. 108.

¹¹⁹ Lane, Mark, *Rush to Judgment*, p. 388.

¹²⁰ Graf, Walter F. and Richard R. Bartholomew, “The Gun That Didn’t Smoke.”

http://spot.acorn.net/jfkplace/09/fp_back_issues/19th_Issue/gtds.html

¹²¹ Fetzer, p. 109.

¹²² Green, Joseph, “The JFK 10-Point Program,” http://www.ctka.net/2009/ten_point_program.html.

public figures - including Lyndon Johnson - express doubt about the Warren Report. Tip O'Neill records one such incident in his memoir *Man of the House*. One evening, speaking to Kenny O'Donnell, who was one of John Kennedy's closest advisers, O'Donnell advises him that he changed his story about what he witnessed (during the shooting) to please the FBI. "I was surprised to hear O'Donnell say that he was sure he had heard two shots that came from behind the fence," O'Neill writes. "'That's not what you told the Warren Commission,' I said. 'You're right,' he said. 'I told the FBI what I had heard, but they said it couldn't have happened that way and that I must have been imagining things. So I testified the way they wanted me to. I just didn't want to stir up more pain and trouble for the family.'" O'Neill also notes that Dave Powers, a newsman friend, also heard the same thing.¹²³

(Note: Many people interviewed by the FBI reported the same thing. They were interrogated rather than questioned; when a person stuck to his or her story, they found themselves misquoted in the Warren Report. See Jim Garrison's *On the Trail of the Assassins* and Jim DiEugenio's *Destiny Betrayed*.)

I will close the material on the JFK assassination with three quotes. For more, you will need to refer to the huge number of relevant sources. There are several listed in the bibliography pages.

Three Quotes About the Kennedy Assassination

Of the Warren Commission: "It was the greatest hoax that has ever been perpetuated." - Richard Nixon, from the May 15, 1972 White House tapes

"We protected [CIA Director Richard] Helms from a lot of things... [E. Howard] Hunt will uncover a lot of things. You open that scab, there's a hell of a lot of pus...tell them we just feel it would be very detrimental to have this thing go further. This involves the Cubans, Hunt, and a lot of hanky-panky that we have nothing to do with ourselves...When you get the CIA people in, say, 'Look, the problem is that this will open up the whole Bay of Pigs thing up again. So they should call the FBI in and for the good of the country don't go any further into this case. Period. Tell them that is this gets out, it's going to make the CIA look bad, it's going to make Hunt look bad, and it's likely to blow the whole Bay of Pigs thing, which we think would be very unfortunate for the CIA.'" - Richard Nixon, from the June 23, 1972 White House tapes

H.R. Haldeman did deliver Nixon's message to Dick Helms. He describes the result pages 38-40 of his political memoir *The Ends of Power*:

"Turmoil in the room, Helms gripping the arms of his chair, leaning forward and shouting, 'The Bay of Pigs had nothing to do with this. I have no concern about the Bay of Pigs.' Silence. I just sat there. I was absolutely shocked by Helms' violent reaction. Again I wondered, what was such dynamite in this Bay of Pigs story?..."

It seems that in all those Nixon references to the Bay of Pigs, he was actually referring to the Kennedy assassination. After Kennedy was killed, they launched a fantastic cover-up...In a chilling parallel to their cover-up at Watergate, the CIA literally erased any connection between Kennedy's assassination and the CIA...And when Nixon said, 'It's likely to blow the whole Bay

¹²³ O'Neill, Tip, *Man of the House*, p. 178.

of Pigs,' he might have been reminding Helms, not so gently, of the cover-up of the CIA assassination attempts on the hero of the Bay of Pigs, Fidel Castro - a CIA operation that may have triggered the Kennedy tragedy and which Helms wanted desperately to hide." [boldface mine]

Interestingly enough, the threat works. Helms calls the FBI off their investigation in a quid pro quo.

There are basically three kinds of people who do not accept a conspiracy in the JFK assassination: (1) people unfamiliar with the evidence, (2) media shills, and (3) fools. It's very simple. Not only did Lee Harvey Oswald not kill Kennedy, the FBI's own paraffin test proved he didn't even fire a rifle that day. This is not a 50/50 situation or something about which intelligent people can disagree. People can disagree about the principal causes or about what really did happen, but not on whether Oswald committed the murder. There is more evidence that Lee Harvey Oswald *did not* kill Kennedy than that O. J. *did* kill Nicole Brown.

(It strikes me that I should add a fourth category of person, to account for Noam Chomsky. I believe that Chomsky has not pursued the JFK matter for essentially pragmatic reasons. However, this is a complex subject and a diversion from the primary task of this timeline.)

1964

March 3, 1964: Current CIA Director John McCone sends "a memo to Secret Service chief James Rowley stating that after his surgery at the hospital in Minsk, Oswald might have been 'chemically or electronically "controlled"...a sleeper agent. Subject spent 11 days hospitalized for a minor ailment which should have required no more than three days hospitalization at best."¹²⁴

This is a highly implausible theory, as most people familiar with the techniques employed by the U.S. government would know. However, I include this detail because it represents yet another U.S. official who does not believe the Warren Report. Incidentally, J. Edgar Hoover also floated this 'Minsk Candidate' theory.

1965

More media self-censorship: Testifying in front of the Federal Communications Commission, an executive from Procter & Gamble states: "There will be no material in any of our programs which could in any way further the concept of business as cold, ruthless and lacking all sentiment or spiritual motivation."¹²⁵

Of course, this only makes sense. Any corporation with billions of dollars of assets has - by definition - an enormous vested interest in not making waves.

1966

Lyndon Johnson appoints Richard Helms CIA Director.

¹²⁴ Hoffman, David, *The Oklahoma City Bombing and the Politics of Terror*, p. 58.

¹²⁵ "Television: Taste, Sponsorwise," TIME Magazine, 6 Oct 1961.

<http://content.time.com/time/magazine/article/0,9171,827809,00.html>

"For many years the Rockefellers (closely associated with Standard Oil) have supplied the man for U.S. Secretary of State, regardless of which party was in office. Dean Rusk was head of the Rockefeller Foundation when he was appointed Secretary of State; Christian Herter, a former Secretary of State had close family connections with the Rockefellers; John Foster Dulles was from the law firm of Sullivan & Cromwell, one of Rockefellers' legal advisers, and so on. Big business and big finance almost always are represented in the highest positions of defence - Thomas S. Gates, former Secretary of Defense was President of the Morgan Guaranty Trust; James Forrestal who was the first Secretary of Defense after the Second World War was President of the Wall Street banking firm of Dillon, Read and Company. With Charles Wilson and Robert McNamara, General Motors and Ford have both supplied the top defence position... Nearly all the people, in fact, in these higher levels of this supposedly 'democratic' government are appointed, not elected. In 1966 Lyndon Johnson appointed 66,289 office holders to the Government."¹²⁶

A memorandum approved by FBI Director J. Edgar Hoover states the necessity for so-called 'black-bag' jobs (i.e., criminal break-ins to recover information). The memo notes that although such jobs are problematic in legal terms, they are absolutely necessary. Quoting directly from the memo: "Such a technique involves trespass and is clearly illegal; therefore, it would be impossible to obtain any legal sanction for it. Despite this, 'black bag' jobs have been used because they represent an invaluable technique in combating subversive activities of a clandestine nature aimed directly at undermining and destroying our nation." The memorandum in question is dated July 19, 1966 and was sent to Cartha DeLoach and William Sullivan.

1966-1967: Klaus Barbie, as paid by the U.S. government, begins a campaign of terror against tin miners in Bolivia. There are some revolutionaries attempting to rise against the right-wing government. To this end, Barbie's secret police murder hundreds of people, mostly labor leaders and miners. In 1967, Che Guevara becomes an enemy of the U.S., as he is trying to rally workers against the established Bolivian government. Barbie is tapped to hunt and kill Guevara, and the latter is dead by the end of the year. Barbie is made an honorary colonel.¹²⁷

Bill Clinton's Mentor Speaks Out

"There does exist and has existed for a generation, an international... network which operates, to some extent, in the way the radical right believes the Communists act. In fact, this network, which we may identify as the Round Table Groups, has no aversion to cooperating with the Communists, or any other groups and frequently does so. I know of the operations of this network because I have studied it for twenty years and was permitted for two years, in the early 1960s, to examine its papers and secret records. I have no aversion to it or to most of its aims and have, for much of my life, been close to it and to many of its instruments. I have objected, both in the past and recently, to a few of its policies... but in general my chief difference of opinion is that it wishes to remain unknown, and I believe its role in history is significant enough to be known...

The powers of financial capitalism had [a] far-reaching [plan], nothing less than to create a world

¹²⁶ Greene, , p. 259.

¹²⁷ Cockburn & St. Clair, p. 176-178.

system of financial control in private hands able to dominate the political system of each country and the economy of the world as a whole. This system was to be controlled in a feudalist fashion by the central banks of the world acting in concert, by secret agreements arrived at in frequent meetings and conferences.

The apex of the system was to be the Bank for International Settlements in Basel, Switzerland, a private bank owned and controlled by the world's central banks which were themselves private corporations.

Each central bank...sought to dominate its government by its ability to control treasury loans, to manipulate foreign exchanges, to influence the level of economic activity in the country, and to influence cooperative politicians by subsequent economic rewards in the business world."

-- Professor Carroll Quigley, *Tragedy and Hope* (1966). Professor Quigley was Bill Clinton's mentor at Georgetown University.

1968

March 4, 1968: A memorandum written by J. Edgar Hoover regarding the COINTELPRO program illustrates the goals and targets of the program. Although heavily redacted, the target is clearly Martin Luther King. For example, the second goal listed is to "prevent the rise of a 'messiah' who could unify, and electrify, the militant black nationalist movement. [redacted] might have been such a 'messiah;' he is the martyr of the movement today... [redacted] be a very real contender for this position should he abandon his supposed 'obedience' to 'white, liberal doctrines' (nonviolence) and embrace black nationalism, [redacted] has the necessary charisma to be a real threat in this way." The memo goes on to say that such leaders and organizations "must be "prevented...especially among the youth."¹²⁸

April 4, 1968: Martin Luther King is assassinated while standing on the balcony of his hotel in Memphis. James Earl Ray, a lone gunman, is arrested and charged with the crime. According to the official version, Ray, staying across the street, stands in a bathtub and aims out his windowsill, firing one shot that strikes King in the right side of his neck. The Governor orders 4,000 National Guardsman into Memphis to keep the peace.¹²⁹

However, the bullet from King's wound does not match the rifle that Ray supposedly used. Ray turns out to be a petty criminal rather than a trained sniper. No one eyewitnesses the actual shooting, although a man named Charles Stephens states that he saw a man leaving the flophouse where Ray allegedly fired. However, he is drunk, and after seeing a photo of James Earl Ray, states that he was not the man he saw.¹³⁰

June 5, 1968: Robert F. Kennedy is assassinated at the Ambassador Hotel in Los Angeles, having just won the California primary. Sirhan Bishara Sirhan pulls a gun and yells "Kennedy, you son of a bitch!" before firing at him. He is restrained by, among others, Los Angeles Rams football player Roosevelt Grier and author George Plimpton. Kennedy collapses - he asks, "Am I going

¹²⁸ DiEugenio, James, and Lisa Pease, eds., *The Assassinations*, p. 313-314.

¹²⁹ *The New York Times*, 4 April 1968.

¹³⁰ Green, Joseph, *Hellhound On His Trail: Hampton Sides Wishes with all his Might*, <http://www.ctka.net/reviews/hellhound.html>.

to die?" He does, shortly thereafter.

The facts appear uncontroversial. The Hotel lobby, where Kennedy was shot, was extremely crowded at the time of the shooting, so there are few actual witnesses, although most everyone heard the shots. Sirhan was taken down at the scene, and clearly fired at Kennedy.

Unfortunately, there is much more to the case than at first appears. Sirhan Sirhan's former lawyer, Lawrence Teeter, illustrates several of the biggest issues in a statement released in 1998. The most basic problem with identifying Sirhan Sirhan as the assassin of Robert Kennedy is the forensic evidence, which shows that Kennedy was shot in the back of the head with the muzzle pressed almost up against it. "Sirhan was out of position and out of range and therefore could not have shot Robert Kennedy. The Senator was shot from behind, but all witnesses place Sirhan in front of him in a face-to-face position. All witnesses placed Sirhan's gun at between 1.5 and 5 feet from Senator Kennedy, but the autopsy findings clearly establish that the Senator was shot from a weapon held somewhere between less than 1 inch and no more than three inches away.

All witnesses describe Sirhan's gun as having been held horizontally in a normal standing position, but the autopsy report describes all bullet tracks in Senator Kennedy's body as angled sharply upward, as though fired from below." (Lawrence Teeter's statement, 4-4- 1998)

Medical examiner Thomas Naguchi, who had performed the post-mortem on Robert Kennedy, agreed. "Eyewitnesses are notoriously unreliable, but this time the sheer unanimity was too phenomenal to dismiss. Not a single witness in that crowded kitchen had seen him [Sirhan] fire behind Kennedy's ear at point-blank range.' To the prosecution, none of this mattered...Recollections which failed to place Sirhan in a position to do this would not be solicited, and if they came out would be ignored. Since the defense was not challenging, this would be easy to do."¹³¹

Besides the basic impossibility of Sirhan having shot Kennedy from behind without standing behind him, another problem cropped up: All of the wounds in his body were at an upward angle. "According to the autopsy report all the gun wound tracks were upward...the three back shots were described as a steep 59, 67, and 80 degrees, as though a gun had been pressed to the senator's back and pointed up so as not to protrude. In contrast, Sirhan was said to have fired with his gun parallel to the floor."¹³²

As in the Kennedy assassination, it is less important to ascribe a particular theory to what happened, at least at first. The most important thing to understand that the official version, that Sirhan Sirhan killed RFK, is **impossible**. Sirhan Sirhan, without a doubt, fired a gun in the general direction of Kennedy. However, he did not fire the bullet that ultimately ended his life.

The other terribly problematic element to the shooting was that Sirhan had no memory of shooting Robert Kennedy. He gave indications of having been in a hypnotic state at the time of the shooting, and indeed often practiced self-hypnosis. When placed under hypnosis by a doctor, Sirhan would perform automatic writing of statements like 'I Must Kill Robert Kennedy' and the like. "[Psychologist] Bon Kaiser also reserved the possibility that Sirhan was under the influence

¹³¹ Klaber, William, and Philip Melanson, *Shadow Play*, p. 95.

¹³² *Ibid*, p. 98.

of hypnosis. In private discussions he said that he believed Sirhan's amnesia block, which could have been hypnotically induced, was genuine, and in his book stated that although he didn't know who the programmer might have been, he 'still had a feeling that somewhere in Sirhan's recent past there was a shadowy someone.'"¹³³

For most people, the idea of mind control sounds ridiculous. However, the federal government didn't see it that way; as one knows from looking at the sources for this timeline, the CIA has spent half a century working on it. Even in '68, MK-ULTRA marches on.

July 1968: As part of MK-ULTRA, operatives from the CIA set themselves up in a Saigon prison to experiment on inmates. "In one such experiment, three prisoners were anesthetized; their skulls were then opened and electrodes were implanted by CIA doctors into different parts of their brains. The prisoners were revived, placed in a room with knives and the electrodes in the brains activated by the CIA psychiatrists who were covertly observing them. The hope was that they could be prompted in this manner to attack each other. The experiment failed. The electrodes were removed, the patients were shot and their bodies burned."¹³⁴

This last experiment bears repeating. *The CIA was hoping to use implants to cause people to attack each other like wild dogs. When the experiment failed, they murdered the 'patients' and burned the bodies.*

When one looks at the evidence for one atrocity or another, one has to keep in mind history. Historical events like this should serve to remind us that we should not immediately side with the government when news of wrongdoing is made public. We have to let the evidence fall as it may. Arguments such as 'our government would never perpetrate X crime' are made terribly hollow by the simple historical facts.

1969

March 10, 1969: James Earl Ray pleads Guilty to the murder of Martin Luther King. However, less than twenty-four hours later, he states that he wants to withdraw his plea, as it had been obtained under coercion. Ray fires his attorney, Percy Foreman, and sends a letter to Judge Preston Battle, who had originally accepted the Guilty plea. Judge Battle discusses the plea situation with an assistant prosecutor; at the end of the day, he dies suddenly from a heart attack.¹³⁵

A corrupt banker by the name of Michele Sindona becomes the lead financial advisor to Pope Paul VI. Sindona has already been investigated by the Securities & Exchange commission for alleged shady dealings involving the American company Gulf & Western. Gulf & Western has large sugar interests in the Dominican Republic.¹³⁶ Sindona will later be found to be a key player in the P-2 scandal, a conspiracy of Masonic fascists to take over the Italian government.

"In 1969 and 1970, Navy Lieutenant Woodward, communications duty officer for Admiral Thomas Moorer, the Chief of Naval Operations, had routinely briefed Henry Kissinger,

¹³³ Turner, William, and Jonn Christian, *The Assassination of Robert F. Kennedy*, p. 196.

¹³⁴ Cockburn & St. Clair, p. 210.

¹³⁵ DiEugenio & Pease, p. 315.

¹³⁶ Lernoux, p. 181.

Alexander Haig, and other high-ranking officials on intelligence coming in from trouble spots all over the world. After Woodward became a reporter, he retained his connections to this subterranean network of potential Nixon betrayers.”¹³⁷

1970

Salvador Allende, a left-wing candidate, becomes the president of Chile. Henry Kissinger states, in regard to Chile, that “a country should not be allowed to go Marxist simply because its people are irresponsible.” American plans to kidnap and overthrow Allende begin almost immediately. Richard Nixon has Kissinger design the plan, which involves a “two track” strategy. Track One would involve “diplomacy” - i.e., propaganda literature and anti-Allende programs. Track Two would use CIA agents to make contact with right-wing groups inside Chile to overthrow the government and neutralize Allende. “The plan was to have him kidnapped by extremist officers, in such a way as to make it appear that the leftist and pro-Allende elements were behind the plot. The resulting confusion, it was hoped, would panic the Chilean Congress into denying Allende the presidency.”¹³⁸

Richard Helms would later be asked by the Church Committee whether he was ordered to kill Allende by Nixon. “Helms’s answer was carefully hedged and far from responsive. In a conversation later with a close associate, Helms provided a much more believable description of what took place on September 15; Nixon had specifically ordered the CIA to get rid of Allende. Helms told the associate that there was no doubt in his mind what Nixon meant...[He] was no innocent in the matter of CIA assassinations, having been one of the few high-level Agency officials to be fully aware of the efforts, beginning in 1959, to have Castro assassinated.”¹³⁹

September 15, 1970: Nixon, Kissinger, and A.G. John Mitchell hold a meeting about Chile. Some typewritten notes from the meeting survive and were obtained under FOIA. The notes take the form of a list:

“1 in 10 chance perhaps, but save Chile!
worth spending
not concerned risks involved
no involvement of embassy
\$10,000,000 available, more if necessary
full-time job - best men we have
game plan
make the economy scream
48 hours for plan of action”

September 23, 1970: Syndicated columnist Charles Bartlett receives a report indicating that the U.S. government will do all that is necessary - short of all-out war - to prevent Allende from taking power. Typical of the type of reporting that goes on in the American press, he doesn’t start an investigation. Instead, he “did exactly what [they] hoped he would do: he wrote a column

¹³⁷ Davis, p. 273.

¹³⁸ Hitchens, Christopher, *The Trial of Henry Kissinger*, p. 57.

¹³⁹ Hersh, Seymour, *The Price of Power*, p. 274.

about the dangers of a ‘classic Communist-style assumption of power’ in Chile. In other words, “he used their material selectively - to write an anti- Allende scare piece...”¹⁴⁰ I bring attention to this because it is instructive of what typically takes place among columnists. Although right-wing television talking heads often complain about ‘liberal columnists,’ the fact of the matter is that all of them must bow to the demands of those who sign their paychecks...and, in the United States, that means a maximum of 6 or 7 possible entities. None of these large corporate entities have any interest in rocking the economic boat. Therefore, when one a columnist such as Bartless receives inside information about the U.S. intervention in a foreign country, he takes the path of least resistance, pleasing his employer as well as the U.S. government. Those who do not play the tune called for by the piper tend to get fired - as the Jim Hightower firing tends to show. [See 1984.]

1971

The Washington Post goes ahead, somewhat reluctantly, with the publication of The Pentagon Papers. These papers have been leaked to the Post by Daniel Ellsberg, a former Kissinger assistant ostensibly motivated by a desire to reveal the real causes of the Vietnam War. This will prove to be one of the essential incidents in the downfall of Richard Nixon’s Presidency.

1972

Richard Helms orders all documents connected to the MKULTRA program to be destroyed. He is conscious that, in the atmosphere surrounding Watergate, they could prove troublesome. However, not all of the documents were destroyed; some of them survive, and some have been acquired via FOIA (Freedom of Information Act) requests.¹⁴¹

December 1972: Paris ‘peace’ talks between Henry Kissinger and Nguyen Van Thieu break down, and Nixon orders B-52 bombings in Hanoi and Haiphong. The talks collapse because Kissinger and Nixon are demanding that previously settled issues be placed back on the table, with no corresponding incentive except to avoid punishment. “There were...fiery statements of defiance from North Vietnamese government officials. The real target of the bombs, however, was in Saigon, where Nguyen Van Thieu would soon be handed a presidential ultimatum. Nixon was bombing to convince Thieu that America’s secret promises were credible. He was bombing so that a corrupt dictator who had been supported for four years in the name of American credibility would allow him to claim ‘peace with honor.’”¹⁴²

1973

There is a coup in Chile. Chilean president Salvador Allende is assassinated with the support of the CIA (they supplied training and guns). “Orlando Bosch, the notorious Cuban exile terrorist, also worked with the AAA, and he and Della Chiaie were associated with a death squad organized by a Chilean secret police after Salvador Allende’s overthrow in 1973. Among that group’s victims was Orlando Letelier, Allende’s ambassador to Washington, who was blown to bits by a terrorist bomb on Washington’s Embassy Row in 1976.”¹⁴³

¹⁴⁰ Marchetti, Victor, p. 300-301.

¹⁴¹ Millar, Nathan, p. 459.

¹⁴² Hersh, p. 624.

The U.S. installs August Pinochet as dictator of Chile. Pinochet's regime will be a brutal dictatorship involving the mass slaughter of thousands.

The fact that the Central Intelligence Agency has infiltrated the national media begins to slowly reach the public. "On November 30, 1973, it was revealed that the CIA had forty full-time news reporters on the payroll as undercover informants, some of them as full-time agents. It seems clear that an agent-journalist is really an agent, not a journalist."¹⁴⁴

1974

April 22, 1974: CIA Director William Colby gives testimony about CIA dirty tricks to a House Armed Services subcommittee. It is private testimony, unpublicized until September. One of the items Colby reveals is Operation MOCKINGBIRD, in which agency officials infiltrated the major media news organizations and placed assets within them.

In November 1973, after many such shifts had been made, Colby told reporters and editors from the New York Times and the Washington Star that the Agency had "some three dozen" American newsmen "on the CIA payroll," including five who worked for "general-circulation news organizations."

After Colby left the Agency on January 28th, 1976, and was succeeded by George Bush, the CIA announced a new policy: "Effective immediately, the CIA will not enter into any paid or contractual relationship with any full-time or part-time news correspondent accredited by any U.S. news service, newspaper, periodical, radio or television network or station."¹⁴⁵

Colby fires James Jesus Angleton, as a result of fallout from the revelations about dirty tricks performed by the Agency.

1975

January 25, 1975: The Senate establishes the Select Committee on Intelligence Activities, tasked with investigating the CIA and FBI. It is referred to as the 'Church Committee' due to the leadership of Senator Frank Church. After the committee meets with Bill Colby in May, Church gives a quote to the press: 'It is simply intolerable that any agency of the United States government may engage in murder.' Colby had testified, in private, about the CIA's involvement in political assassination attempts.

In response to the Church Committee, which was aggressively pursuing leads and had successfully unearthed surviving material from the government's MK ULTRA program, a different committee is quickly set up. The Rockefeller Commission releases a report in June 1975, 299 pages long and containing a complete whitewash. The only section dealing with assassinations is in a classified appendix. Gerald Ford promptly comes to the Rockefeller Commission's defense.¹⁴⁶

¹⁴⁴ Lane, Mark, and Dick Gregory, *Murder in Memphis*, p. 232-233.

¹⁴⁵ Bernstein, Carl, "The CIA and the Media," http://www.carlbernstein.com/magazine_cia_and_media.php.

June 1975: Sam Giancana, the famous Mafia boss of the Chicago family, is in the custody of the Witness Protection Program. He is scheduled to testify to the Senate Committee about the CIA's collaboration with the Mafia in attempts to kill Castro. Despite his 'protection,' Giancana is shot to death in his home's basement.

July 1975: Johnny Roselli, one of Giancana's chief lieutenants, has already made one brief appearance before the Senate Committee and is scheduled to make a second one, also to testify about CIA ties to the Mob. He is chopped into little pieces, which are then put into an oil drum and dropped into the ocean off the coast of Miami.

Meanwhile, the Church Committee discovers that the CIA had unsuccessfully attempted, numerous times, to kill Fidel Castro. Many of these publicized attempts were absurd, bordering on idiotic. There were plans, among other things, to try and poison Castro's cigars, and to coat his shoes with a substance to cause his beard to fall out.

September 16, 1975: Bill Colby gives a long address to the Church Committee regarding poisons and biological weapons developed and maintained by the CIA. He produces a pistol which looks like an ordinary weapon but is powered by a battery and able to fire poison darts at a hundred yards. The darts themselves would not be felt. The most common poison came from the CIA's large supplies of shellfish toxin, first developed during World War II. At the time, the CIA held over 1/3 of the world's total supply of shellfish toxin. He also testifies about the LSD experiments performed by the agency, done to the general public without their knowledge.¹⁴⁷

**

Georgia Governor Jimmy Carter announces his candidacy for the presidential election at a meeting of the Trilateral Commission. The Rockefellers serve as the architects for this powerful and influential group (the 'trilateral' refers to Europe, Japan and North America as the centers of capitalism). Previously unknown, he nevertheless wins the nomination, and then the election in 1976. David Rockefeller, in his *Memoirs*, writes: "Carter's campaign was subtly anti-Washington and antiestablishment, and he pledged to bring both new faces and new ideas into government. There was a good deal of surprise, then, when he chose fifteen members of Trilateral, many of whom had served in previous administrations, for his team..." Rockefeller also complains: "Predictably, I was accused of taking over Carter's foreign policy."¹⁴⁸

[Author's note: *Memoirs* is highly recommended reading, largely for its disassociative tone. One gathers, reading the book, that life as a Rockefeller consists of nobly steering the ship while yahoos toss cannonballs all the while. In reading the book, one is forced to the conclusion that either David R. is delusional or else incredibly disingenuous.]

1976

"The drive of the Rockefellers and their allies is to create a one-world government combining supercapitalism and Communism under the same tent, all under their control...Do I mean

¹⁴⁷ Harris, Robert and Jeremy Paxman. *A Higher Form of Killing*, p. 211-212.

¹⁴⁸ Rockefeller, David, *Memoirs*, p. 417.

conspiracy? Yes I do. I am convinced there is such a plot, international in scope, generations old in planning, and incredibly evil in intent.” -- Congressman Larry P. McDonald, 1976. He would later be killed in a Korean Airlines 747, shot down by the Soviets.

President Jimmy Carter fires George H. W. Bush from his position as head of the CIA Bush has held the position for only 10 months. Carter appoints Admiral Stansfield Turner to the Director position.

George Bush, now CIA Director, taps one James Bath to work for the Central Intelligence Agency, keeping tabs on Saudi Arabian investors. Bath is one of the best friends of George W. Bush, the elder’s son. They served in the so-called ‘Champagne Squadron’ of Texas Air Patrol together while dodging the Vietnam draft. Bath has CIA connections of his own, having worked for Atlantic Aviation, a CIA-front company run by the Du Pont family.¹⁴⁹

George W. Bush is starting an oil venture in Midland, Texas called Arbusto (Spanish for ‘shrub’). Bath introduces a gentleman by the name of Salem bin Laden to George W., and after the initial contact Salem decides to invest some money in Arbusto. Salem bin Laden is the older brother of another CIA asset, currently leading the mujahideen rebels against the Soviets: Osama bin Laden. Eventually, Bath invests \$50,000 into Arbusto on behalf of Salem.¹⁵⁰

Arbusto eventually collapses.

1977

March 29, 1977: White Russian, friend of Lee Harvey Oswald and George W. Bush, George de Moreschildt is considered a crucial witness for the House Select Committee on Investigations. In the morning, George gives an interview to Edward Jay Epstein, one of the original Warren Commission critics and author of the book *Inquest*, but who later either flipped or was infiltrating from the beginning. In the afternoon, HSCA investigator Gaeton Fonzi (and author of the brilliant book *The Last Investigation*) left his card with him so that they might have an interview as well.

George de Moreschildt allegedly kills himself that evening with a shotgun.

In June, several MK-ULTRA documents are discovered. The Senate holds hearings to discuss the implications in August.

August 3, 1977: The MK-ULTRA Senate hearings are held.

The key players, CIA people, suddenly develop amnesia with regard to what MK- ULTRA was about and who authorized what. The sessions are long but end up spinning in circles; the interviewed parties provide much general information but little else. All the same, they remain important as information opens up about such clandestine domestic projects as BLUEBIRD, ARTICHOKE, and MKNAOMI.

Senator Ted Kennedy’s Opening Remarks at the 8-3-1977 Hearings

¹⁴⁹ Brewton, Pete, *The Mafia, the CIA, and George Bush*, p. 220.

¹⁵⁰ *Texas Observer*, 5 November 2002.

Senator Kennedy: Thank you very much, Mr. Chairman. We are delighted to join together in this very important area of public inquiry and public interest. Some two years ago, the Senate Health Subcommittee heard chilling testimony about the human experimentation activities of the Central Intelligence Agency.

The Deputy Director of the CIA revealed that over 30 universities and institutions were involved in an "extensive testing and experimentation" program which included covert drug tests on unwitting citizens "at all social levels, high and low, native Americans and foreign." Several of these tests involved the administration of LSD to "unwitting subjects in social situations." At least one death, that of Dr. Olson, resulted from these activities.

The Agency itself acknowledged that these tests made little scientific sense. The agents doing the monitoring were not qualified scientific observers. The tests subjects were seldom accessible beyond the first hours of the test. In a number of instances, the test subject became ill for hours or days, and effective followup was impossible.

Other experiments were equally offensive. For example, heroin addicts were enticed into participating in LSD experiments in order to get a reward — heroin. Perhaps most disturbing of all was the fact that the extent of experimentation on human subjects was unknown. The records of all these activities were destroyed in January 1973, at the instruction of then CIA Director Richard Helms. In spite of persistent inquiries by both the Health Subcommittee and the Intelligence Committee, no additional records or information were forthcoming. And no one — no single individual — could be found who remembered the details, not the Director of the CIA, who ordered the documents destroyed, not the official responsible for the program, nor any of his associates. We believed that the record, incomplete as it was, was as complete as it was going to be.

Then one individual, through a Freedom of Information request, accomplished what two U.S. Senate committees could not. He spurred the agency into finding additional records pertaining to the CIA's program of experimentation with human subjects. These new records were discovered by the agency in March. Their existence was not made known to the Congress until July. The records reveal a far more extensive series of experiments than had previously been thought.

Eighty-six universities or institutions were involved. New instances of unethical behavior were revealed. The intelligence community of this Nation, which requires a shroud of secrecy in order to operate, has a very sacred trust from the American people. The CIA's program of human experimentation of the fifties and sixties violated that trust. It was violated again on the day the bulk of the agency's records were destroyed in 1973. It is violated each time a responsible official refuses to recollect the details of the program.

Richard Helms is indicted for perjury regarding his testimony about the CIA's role in the Chilean coup. He pays a fine of \$2,000, which is raised by his former colleagues.¹⁵¹

October 20, 1977: Watergate reporter Carl Bernstein publishes a seminal article in Rolling Stone which blows the lid off Operation MOCKINGBIRD. Bernstein publishes the names of more than

¹⁵¹ Millar, Nathan, , p. 462.

400 individual reporters who were, and are, on the CIA's payroll. The list also includes publishers and other media bigwigs who have been doing the CIA's biddings for a quarter of a century.

Among the names Bernstein lists as being CIA assets:

Katherine Graham (Washington Post)

Henry Luce (Time, Life, Fortune)

William Paley (CBS)

Sulzbergers (New York Times)¹⁵²

1978

Coincidentally, following Bernstein's expose of the CIA-run media, Bob Woodward decides to investigate Bernstein. Woodward recruits Post reporter Timothy Robinson to do the legwork. The information he turns up on Bernstein concerns information exchanged with a known pornographer, although Woodward's take on the relationship turns out to be wrong. However, he, along with Post editor Ben Bradlee, are convinced that Bernstein would not be fit for rehire by the paper.¹⁵³

1979

The United States begins a process of arming and training Mujahideen rebels in Afghanistan in preparation for the Soviet invasion still to come. In essence, the U.S. sets a trap for the Soviets, and they take the bait, in the process getting their own 'Vietnam.'

This process is explained in an interview done 20 years later by President Jimmy Carter's National Security Advisor, Zbigniew Brzezinski. According to Mr. Brzezinski, the U.S. tricked them into creating their own quagmire. Brzezinski gave an interview to *Le Nouvel Observateur*, a Paris-based publication, in January 1998, regarding this initiative. Part of that interview is reproduced below:

'Some Stirred-Up Moslems'

BRZEZINSKI: According to the official version of history, CIA aid to the Mujahadeen began during 1980, that is to say, after the Soviet army invaded Afghanistan, 24 Dec 1979. But the reality, secretly guarded until now, is completely otherwise. Indeed, it was July 3, 1979 that President Carter signed the first directive for secret aid to the opponents of the pro-Soviet regime in Kabul. And that very day, I wrote a note to the president in which I explained to him that in my opinion the aid was going to induce a Soviet military intervention.

QUESTION: Despite this risk, you were an advocate of this covert action. But perhaps you yourself desired this Soviet entry into war and looked to provoke it?

BRZEZINSKI: It isn't quite that. We didn't push the Russians to intervene, but we knowingly increased the probability they would.

¹⁵² http://www.carlbernstein.com/magazine_cia_and_media.php

¹⁵³ Davis, p. 274-275.

QUESTION: When the Soviets justified their intervention by asserting that they intended to fight against a secret involvement of the United States in Afghanistan, people didn't believe them. However, there was a basis of truth. You don't regret anything today?

BRZEZINSKI: Regret what? That secret operation was an excellent idea. It had the effect of drawing the Russians into the Afghan trap and you want me to regret it? The day the Soviets officially crossed the border, I wrote to President Carter: "We now have the opportunity of giving to the USSR its Vietnam War. Indeed, for almost 10 years,

Moscow had to carry on a war unsupportable by the government, a conflict that brought about the demoralization and finally the breakup of the Soviet empire.

QUESTION: And neither do you regret having supported the Islamic fundamentalism, having given arms and advice to future terrorists?

BRZEZINSKI: What is most important to the history of the world? The Taliban or the collapse of the Soviet Union? Some stirred-up Moslems or the liberation of Central Europe and the end of the Cold War?

These 'stirred-up Muslims' would, of course, play a large role in later terrorist bombings at the World Trade Center and the Pentagon.

The Afghan mujahideen are allied with the Pakistani ISI, the police force of Pakistan.

The ISI is a notorious group, "commonly branded a 'state within a state'" or "the invisible government," according to Time magazine (6 May 2002). According to official document *Drug Control: U.S. Supported Efforts in Burma, Pakistan, and Thailand*, the amount of heroin entering the country from Afghanistan in 1979 is virtually zero.

1980

By the middle of 1980, Afghanistan suddenly controls more than sixty percent of the total heroin market in the United States. In other words, during the period which the CIA began supplying arms to rebels fighting the Soviets, heroin production has skyrocketed.

The sixty percent figure is documented in the same official report *Drug Control: U.S. Supported Efforts in Burma, Pakistan, and Thailand*.

**

The 'Cocaine Coup' in Bolivia occurs. The CIA had previously arranged, via massive voter fraud and intimidation, to elect a right-wing government in Bolivia. It didn't work. When the leftists won, the CIA begins working to overthrow the Bolivian government and put its people in place.

Klaus Barbie is tapped again. He receives assistance from noted terrorist Stefano Della Chiaie. During World War II, Della Chiaie had been the protege of Junio Valerio Borghese, who led Mussolini's intelligence "apparatus which hunted down and killed thousands of Italian resistance fighters." Della Chiaie in turn recruits 200 terrorists from Afghanistan to help him in Bolivia,

where he is put in charge of the coup. He refers to his team as ‘The Phoenix Commandos’ in honor of William Colby’s Phoenix Program during the Vietnam War. See Doug Valentine’s *The Phoenix Program* for details:

http://www.douglasvalentine.com/the_phoenix_program_11712.htm

Della Chiaie will later join Propaganda 2, a group that eventually takes over the Italian government. It will be exposed in a major scandal beginning in 1982.

The Cocaine coup involved some incredible atrocities. The labor leader in parliament, Marcelo Quiroga, was shot but not killed. Instead, he and several others were tortured via electro-shock by Barbie, his specialty. He would never walk again. Then “thousands of opposition leaders were rounded up and herded into the large soccer stadium in La Paz. In true Argentine style, they were shot en masse, their bodies dumped in rivers and deep canyons outside the capitol.”¹⁵⁴

Former DEA agent Michael Levine describes it as thus: “The mad dogs killing everything in sight were los Novios de la Muerte [Lovers of Death], a group of more than 600 paramilitary, swastika-wearing, Nazi-worshipping mercenaries recruited by Klaus Altmann, a/k/a Klaus Barbie, a fugitive war criminal and long-time CIA asset...The operation had been planned by Barbie himself along with international terrorist Stefano Della Chiaie, under the authority of Arce-Gomez.”¹⁵⁵ The Arce-Gomez he refers to is Colonel “Lucho” Arce-Gomez, their commander.

A corrupt bank, called the Banca Nazionale del Lavoro, or BNL, begins to get a reputation in Italy. Owned by the Italian Treasury, its top executives are frequently politicians rather than bankers. It is dedicated to money-laundering by both governmental organizations and criminal organizations. [What’s the difference? the cynic asks.] In fact, “four out of its top ten executives” will be shown to be involved in the P-2 scandal, a Masonic conspiracy that ended when the Italian government fell apart as a result of the enormous corruption.¹⁵⁶

To the surprise of no one, Henry Kissinger Associates has BNL as one of its clients. Kissinger was also the advisory board of the BNL. He will resign in February 1991, because, he says, ‘I don’t want to be asked about [it].’¹⁵⁷

Ronald Reagan is elected President of the United States. George Herbert Walker Bush, former director of the CIA, son of Nazi collaborator Prescott Bush, becomes the Vice- President. He places his assets into a blind trust and asks old family friend William “Stamps” Farish III to handle it. Farish’s grandfather was the president of Standard Oil, and pled guilty to collaborating with the Nazis during World War II. [See 1942.]

1981

¹⁵⁴ Cockburn & St. Clair, p. 182-183.

¹⁵⁵ Levine, Michael, *The Big White Lie*, p. 57.

¹⁵⁶ Friedman, Alan. *Spider’s Web*, p.85.

¹⁵⁷ Ibid, p. 223.

March 1981: Italian police, investigating the kidnapping of Michele Sindona, obtain a warrant to search the villa of Licio Gelli. What they discover inside the villa will literally turn the Italian government upside-down. Licio Gelli was a Masonic master of the P-2 group (short for Propaganda-2), a Masonic fascist conspiracy.¹⁵⁸ These documents include “a list of 953 P-2 members, including: the heads of Italy’s intelligence agencies; numerous generals and admirals; and key men in government ministries, the courts, industry, banking, and the press. The only major political organization not represented was the Italian Communist Party...P-2 files also implicated Gelli and Milan banker [Roberto] Calvi in Sindona’s fake kidnapping...”¹⁵⁹

1982

Mid-1982: Vatican Banker Roberto Calvi is found hanging off a Blackfriars Bridge with rocks in his pockets. He would not be the only death. His personal secretary jumped out of a fourth-floor window of the Milan headquarters.¹⁶⁰

1983

“In 1983, a U.S. Senate committee concluded that Panama was a major center for the laundering of drug funds and drug trafficking.” Manuel Noriega, the dictator of Panama, has been on the CIA payroll since at least 1972.¹⁶¹

Ronald Reagan awards Richard Helms the National Security Medal.¹⁶² Recall that Helms has been indicted for lying to an internal investigation into CIA misdeeds. [See 1977.]

Ronald Reagan pays his respects to the Waffen SS at the Nazi Cemetery in Bitburg, Germany. Reagan is quoted as saying, “The SS troops buried here were victims just as surely as the victims in the concentration camps.”



¹⁵⁸ BBC News, http://news.bbc.co.uk/onthisday/hi/dates/stories/may/26/newsid_4396000/4396893.stm.

¹⁵⁹ Lernoux, p. 179.

¹⁶⁰ Lernoux, , p. 192-193.

¹⁶¹ Chomsky, Noam, *What Uncle Sam Really Wants*, p. 51-52.

¹⁶² Millar, Nathan, p. 462.

Ronald Reagan, paying his respects to buried Nazis in 1983.

The U.S. continues to aid the mujahideen rebels in the ongoing Soviet invasion of Afghanistan. As will be asserted by protesters years later in the Bush I and Bush II incursions into Iraq, it is all (or mostly) about oil. The protesters do have at least one public figure who agrees that oil is the prime motivator of our foreign policy: CIA Director Bill Casey. “Early in 1983, [William Safire] called Casey and asked him what was significant about this distant struggle...I’ll be right over,” Casey answered and hung up...

“As Safire described the visit, ‘Bill pulled up, bounded out of the car, ran into the house, and said, ‘Gimme a map of Afghanistan,’ as though that’s what every home has, maps of the remotest parts of the earth. We found one in the atlas of my Encyclopaedia Britannica. Casey immediately cracked the book open and broke the spine. And then he started. ‘Here’s the Persian Gulf and the oil. Here’s Iran, which is now out of our orbit. Here’s Afghanistan, next to Iran. Here’s where the Russians are in Afghanistan.’ He gave me, on the spot, a twenty-minute analysis of the Soviet stake in Afghanistan and how it finally tied into control of the gulf region and the oil. He had all the history at his fingertips, going back to the Soviet attempts to control Iran in World War II, and what Roosevelt and Truman did to stop that. He went through how the CIA put the Shah [of Iran] on the throne.’”¹⁶³

Later that year, Reagan orders the U.S. invasion of Grenada. The country has a population of 160,000 and a brand new leftist government as a result of an internal revolution. This terrible threat to American safety causes Reagan to react with 6,000 American troops. They land on the island and restore Democracy in short order. 18 American soldiers, in total, are killed; 14 of those are killed (accidentally) by other Americans. There are unknown numbers of Grenadan casualties, mainly due to a total media blackout imposed by the federal government. No cameras are present to record the carnage, but instead are allowed in after the island has been conquered.

Clint Eastwood later makes a movie depicting the heroic invasion: *Heartbreak Ridge*.

1984

[I have mentioned the ‘Mighty Wurlitzer’ of favorable CIA press coverage over the years. It has

¹⁶³ Persico, Joseph E. *Casey: From the OSS to the CIA*, p. 309.

been noted that the media is unwilling -- because of possible negative consequences or because of direct, in-house CIA connections - to look closely at misdeeds by the U.S. government. In 1984, there is a quite concrete example of this, as reported by John Kelly in his article "Crimes and Silence" from the book *Into the Buzzsaw*. I am going to quote extensively from his article, because the details are important and - as I said - this is a specific and concrete example of what happens to the media if they get out of line.]

ABC News hires a reporter, John Kelly, in 1984 to work a story that he had previously had produced on the BBC Network. The story involves the CIA's planned assassination of an American citizen by the name of Ron Rewald. Everything is meticulously documented, and they have an on-camera interview with a man who had been asked by the CIA to perform the assassination.

"The CIA was invited to appear on the ABC program, but declined. After the show aired, CIA officials met with ABC News executive David Burke. They were unhappy with it, but presented no evidence to counter the charges made in the program." Because of this meeting, Peter Jennings makes an on-air statement that the CIA disputed the story, although they stood by it. The CIA is not pleased. CIA Director Bill Casey then takes it up personally with Leonard Goldenson, the ABC Chairman. After a few meetings, Peter Jennings made a statement on the air indicating that they had "no reason to doubt the CIA's denial." This was still not enough, however, as the CIA then files several formal complaints with the FCC.

Now the other shoe drops. "During this time, Capital Cities Communications was maneuvering to buy ABC. Casey was one of the founders of Cap Cities. He was also chief counsel and board director until 1981, when he became director of the CIA. At the time, he owned some 34,755 shares of stock in Cap Cities worth about \$7.7 million, which he did not place in a blind trust despite his agreement with Congress to do so."

The FCC complaints coincided with the ABC's stock sliding precipitously -- from October to the end of November, the stock price fell from \$67 to \$59 a share. "While the second FCC complaint was still pending, Cap Cities bought ABC for \$3.5 billion, which was called a 'bargain rate' by the trade media...The L.A. Weekly speculated that Casey's actions against ABC might have been intended to make ABC less likely to run stories critical of the CIA. I have no absolute proof that there was a connection, but within months, the entire investigative unit was dispersed, and the commentator on the Rewald program was assigned to covering beauty pageants. Needless to say, my contract was not renewed."¹⁶⁴

**

May 1984: Vice-President George Herbert Walker Bush makes a diplomatic visit of Pakistan. He is there to discuss with General Zia (the Pakistani leader) his request for \$3.2 billion in U.S. aid. "Bush was well informed of the situation in Pakistan...However, in public Bush played his role as the slightly spaced-out American vice president in charge of his nation's drug interdiction efforts...Bush heaped praise on the general's antinarcotics program, declaring that drug control was a matter of 'personal interest' to him and that Pakistani's efforts to control the drug trade

¹⁶⁴ Borjesson, Kristina, ed., *Into the Buzzsaw*, p. 326-329.

were exemplary. Presumably Bush was also informed enough to know that by this time Pakistan was distributing 70 percent of the world's supply of heroin."¹⁶⁵

1986

March 1986: "...the New York Times published a column by William F. Buckley Jr [a noted CIA asset], under the headline 'Identify All the Carriers.' The article was evidently of special merit both to the editors of the Times and Buckley, whose syndicated column was under contract to run regularly in the competing New York Daily News. Despite this arrangement, the Times featured Buckley's article on its op-ed page. In the piece,

Buckley made a proposal: 'Everyone detected with AIDS should be tattooed in the upper forearm, to protect common-needle users, and on the buttocks, to prevent the victimization of other homosexuals.'

"Government tattooing of people for identification purposes had, of course, been done before: in Nazi Germany..."¹⁶⁶

[With regard to William F. Buckley being a CIA asset, note statements of E. Howard Hunt and G. Gordon Liddy, in *Plausible Denial*, p. 207. Also note that this is far from the only source noting Buckley's intelligence connections.]

**

Judge William Clark undertakes a secret mission on behalf of the United States in 1986. He is sent to meet with Saddam Hussein, in order to deliver a warning about allowing terrorists Abu Nidal and Abu Abbas to use training camps in Iraq. "Saddam neither confirmed nor denied that he was once again harboring terrorists, but Iraq remained off the State Department's list and American covert assistance continued to flow to Saddam in the Iran-Iraq War." Later, during the Operation Desert Storm in 1991, Abu Nidal receives millions of dollars from the Saudis to cease his terrorist activity during the war. 'The money came from the Saudis, but Washington knew what was going on. The Bush administration turned a blind eye. They really didn't want to know,' said the intelligence officer."¹⁶⁷

1987

August 1987: State Department official Elliott Abrams opposes a Senate resolution that condemns dictator Manuel Noriega. At the time, Abrams is in charge of U.S. policy as it relates to Panama.¹⁶⁸

Meanwhile, Bush's son, George W. Bush, is trying to start a new oil company venture named Harken Oil. Salem bin Laden returns to invest in Harken, this time bringing along Mohamed bin Laden, his father. In addition, Khalid bin Mafhouz also invests in Harken Oil. Mafhouz, of course, will become famous in a few short years due to his role in the Iran-Contra scandal.¹⁶⁹

¹⁶⁵ Beaty, Jonathan and S. C. Gwynne. *The Outlaw Bank: A Wild Ride into the Secret Heart of BCCI*, p. 317.

¹⁶⁶ Lee, Martin A. & Norman Solomon. *Unreliable Sources*, p. 222-223.

¹⁶⁷ Friedman, Alan, , p. 178-179.

¹⁶⁸ Chomsky, Noam, *What Uncle Sam Really Wants*, p. 51.

1988

May 1988: Manuel Noriega is indicted.

September 1988: “Another scandal whitewashed by the media involved a group of former Nazi collaborators who held important positions within the Bush campaign. Two months before the November 1988 election, a small newspaper, *Washington Jewish Week*, disclosed that George Bush had appointed an ethnic coalition for his campaign that included a number of outspoken anti-Semites with Nazi and fascist affiliations. The article prompted the resignation of six leaders of Bush’s ethnic outreach division. Although the resignations were widely reported, few major media investigated the actual charges or the meaning behind them.

“The *New York Times*, in particular, downplayed the significance of the Nazi-GOP connection, burying the news that six Republican ethnic leaders had quit the campaign on page 24 of the D-Section under the headline, ‘A Decisive Baker Puts His Mark On Bush Race.’ The article by Gerald M. Boyd treated the resignation of the discredited ethnic officials less as a sign of scandal than as evidence of James Baker’s ‘authority’ in running the campaign. A Bush spokesperson dismissed the charges against the six ethnic leaders as ‘politically inspired garbage,’ claiming that the Republican Party looked into the allegations and ‘was unable to substantiate them.’ Most media publicized the denial unchallenged.

“An exception was the *Philadelphia Inquirer*, which featured a series of investigative pieces documenting the Nazi link. A front-page lead story detailed the sordid past of men like Florian Galdau, the national chairman of Romanians for Bush, who defended convicted war criminal Valerian Trifa; Radi Slavoff, co-chairman of Bulgarians for Bush, who arranged a 1983 event in Washington that honored Austin App, author of several texts denying the existence of the Nazi holocaust; Phillip Guarino, chairman of the Italian-American National Republican Federation, who belonged to a neofascist Masonic lodge implicated in terrorist attacks in Italy and Latin America; and Bohdan Fedorak, vice chairman of Ukrainians for Bush, who was also a leader of a Nazi collaborationist organization involved in anti-Polish and anti-Jewish wartime pogroms.”¹⁷⁰

Salem bin Laden dies in a plane crash.

1989

The Washington Times, a radically right-wing newspaper, reports that both Reagan and Bush, among several high-ranking political officials, have been using ‘call boys,’ most of whom are barely in their teens. The story gets picked up by no other outlets and goes nowhere in the mainstream media.

1990

August 2, 1990: Saddam Hussein, dictator of Iraq, orders the invasion of Kuwait. He has been a CIA asset since 1980, and has been treated as a valuable ally by the United States throughout the Reagan and Bush administrations.

¹⁷⁰ Lee, Martin A. & Norman Solomon, p. 160-161.

Kuwait hires Hill & Knowlton, the most powerful public relations firm on the planet, to create a campaign for them. The cost: \$11.9 million. They create a PR front group, "Citizens for a Free Kuwait." The object is to run propaganda in the U.S. press to create sentiment to go to war for Kuwait. (One example of the type of propaganda occurs when a story about Iraqi soldiers killing incubated Kuwaiti babies springs up. The story continues to be circulated even today, although it has not a shred of truth to it.)

Running Hill & Knowlton's Washington office is Craig Fuller, a Bush buddy. He oversees the Kuwait account. The actual director of the Kuwait campaign is Lauri Fitz-Pegado, who "had previously worked with supper-lobbyist Ron Brown representing Haiti's Duvalier dictatorship."¹⁷¹

June 1990: Bush sells his stake in Harken Oil.

October 1990: Harken Oil's stock collapses.

From the Washington Post, 11-1-2002:

"A week before George W. Bush's 1990 sale of stock in Harken Energy Co., the firm's outside lawyers cautioned Bush and other directors against selling shares if they had significant negative information about the company's prospects

The sale came a few months before Harken reported significant losses, leading to an investigation by the Securities and Exchange Commission...

Bush sold 212,140 shares of Harken on June 22, 1990, for \$848,560, using the funds to pay off a bank loan that financed his investment in the Texas Rangers baseball team...

Bush and two other directors attended a June 11, 1990, meeting of Harken's audit committee, where Harken's outside auditor, Arthur Andersen, reviewed the proposed rights offering. An Andersen partner told the Harken directors that the offering might lead to a potentially significant reduction in the market value of the subsidiaries, although the amount could not be determined right away...

Bush has said that his decision to sell his shares was based on good news – the January 1990 announcement of Harken's deal to drill for oil in Bahrain, in the Persian Gulf region.

Bush received \$4 a share for his stock in June 1990. The price dropped sharply following the October 1990 disclosure of the rights offering price, to a low of \$1.25 a share in December 1990, but then recovered.

Harken Energy shares now trade at 20 cents a share — equivalent to 2 cents a share in 1990, before a reverse stock-split in 2000 in which investors received one new share of Harken for each 10 held previously."

1991

February 28, 1991: Attorney General Dick Thornburgh (former Justice Department official in the

¹⁷¹ Stauber, John, and Sheldon Rampton, p. 169-170.

Ford administration) holds a press conference to announce indictments against ten people for making \$4 billion in loans to Iraq via the Atlanta branch of the Banca Nazionale de el Lavoro. It is a classic 'limited hangout'; that is, all of the people indicted are in Iraq, and therefore going to be very difficult to try, while Thornburgh simultaneously clears all government officials of wrongdoing and the BNL itself! To the credit of some of the White House reporters, the exchange grows testy as some journalists ask Thornburgh questions about government involvement - and about the Justice Department stonewalling Congressman Henry B. Gonzalez from the investigation. The A.G. parries the questions in the typical official manner.¹⁷² Gonzalez would continue to be a big problem for the administration.

Beginning in 1991 and continuing through 1992, Guatemala pays out \$220,000 to Patton, Boggs, & Blow, a D.C. firm whose most famous partner is Ron Brown. (Brown is Bill Clinton's Secretary of Commerce at the time.) This is despite the fact that the Guatemalan government is wantonly killing its own citizens. The \$220,000 represents about one-third of the total spent on lobbyists in Washington.¹⁷³

1992

The Iraqgate scandal begins to unravel for Bush and company. Documents, including a heavily redacted NSD 26, reaches Congress in May. Every time a document becomes available, Henry Gonzalez goes to House of Representatives chamber, "often virtually alone...reading his statements and on occasion placing secret documents into the Congressional Record. Not since the Pentagon Papers had so many classified materials had been made available to the public."¹⁷⁴

September 1992: Henry Gonzalez reads a classified CIA report into the Congressional Record, one that details the fact that "BNL financing helped pay for the Condor II missile project." In other words, that BNL money had gone to buy weapons for Saddam Hussein.

October 19, 1992: President Bush, in a three-way debate with Bill Clinton and Ross Perot, states that Bush did not 'give the green light' to invade Kuwait, and "repeated his standard line about having tried to bring the Iraqi dictator into the family of nations...Bush became furious. 'There hasn't been one single scintilla of evidence' that any U.S. technology was used in Iraq's nuclear program, he insisted.

Within twenty-four hours, David Kay, the former chief of the UN inspection team in Iraq, contradicted the president. Kay said he had seen the U.S. technology with his own eyes. 'The U.S. equipment was there and there is no disputing that. I simply don't see how the president can say that U.S. technology was not used in Iraq's nuclear program.'

In a television show the following week, Bush was pressed again on this point. 'Well, okay, let me clarify it. There was dual-use technology,' he now said, adding that 'maybe I overstated.' Asked to comment on the cover-up charges over the BNL affair, Bush responded, 'Wrong, wrong, and wrong...May I say this? You're got an independent prosecutor looking at it. Let him make the determination.'

¹⁷² Friedman, Alan, , p. 184-189.

¹⁷³ Stauber, John, and Sheldon Rampton, p. 150.

¹⁷⁴ Friedman, Alan, p. 221.

In fact, [independent prosecutor Frederick] Lacey had made a preliminary determination three days before, on October 26...Lacey had written...he had found ‘sufficiently specific and credible’ allegations to [go ahead with the investigation]...Lacey’s preliminary findings were withheld until November 12...” because of the election. However, Bush lost the election anyway.¹⁷⁵

The Bank of Commerce Credit International also had a tie to the BNL. The BNL, whose “Georgia branch of the Rome-based bank had given Saddam Hussein hundreds of millions in ‘unapproved’ loans for his military buildup, and the Bush administration had been accused of trying to stifle a criminal investigation of the bank. Much of the money that flowed out of BNL to Iraq passed through BCCI.”¹⁷⁶

1993

Examples of a Continuing Trend

“Corporations have found that one good way to curry favors with the media is to court individual journalists who have become media celebrities, offering them large sums of money for brief appearances and talk. During the 1993-1994 debate over health care reform, the National Journal reported that drug companies and trade associations were ‘practically throwing money at journalists to get them to speak at their events.’ Media figures including Fred Barnes of the New Republic, Eleanor Clift and Jane Bryant Quinn of Newsweek, Dr. Bob Arnot of CBS and Dr. Art Ulene of ABC collected speaking fees ranging from \$7,500 to \$25,000. More recently, the Political Finance & Lobby Reporter noted in June 1995 that ‘ABC News’ Cokie Roberts accepted a \$35,000 fee for a speech last May to the Junior League of Greater Fort Lauderdale that was subsidized by JM Family Enterprises, a privately held \$4.2 billion company that distributes Toyotas...Roberts refuses to discuss her speaking fee.”¹⁷⁷

Today, the number of PR [Public Relations] flacks in the United States outnumbers working journalists.

-- from the book *Toxic Sludge is Good for You*, by Sheldon Hampton & John Stauber

1998

Corporate manipulation continues to increase to absurd levels. One example is made bitterly clear in the case of tobacco companies. In this year, “documents came to light regarding an industry-sponsored campaign in the early 1990s to plant sympathetic letters and articles in influential medical journals. Tobacco companies had secretly paid 13 scientists a total of \$156,000 simply to write a few letters to influential medical journals. One biostatistician, Nathan Mantel of American University in Washington, received \$10,000 for writing a single, eight-paragraph letter that was published in the Journal of the American Medical Association.”¹⁷⁸

¹⁷⁵ Ibid, p. 245-246.

¹⁷⁶ Beaty, Jonathan, and S C Gwynne, , p. 312.

¹⁷⁷ Stauber & Rampton, p. 194.

¹⁷⁸ Rampton & Stauber, p. 198.

PART TWO: THE NAZI CORPORATIONS

I.

AMERICAN FASCISTS

In the mid-1980's, the owner of the Cincinnati Reds baseball team, Marge Schott, made public statements to the effect that "Adolf Hitler was good in the beginning, but in the end he went too far." At the time, the general public and the media castigated her. It was suggested she should be run out of baseball. Negative stories, revealing both other eccentricities as well as the fact that many of her own players were offended, began to leak out from the sports media. For a time, she became one of those temporary national jokes that mediocrities like Jay Leno fashion careers out of exploiting.

What was not brought up at the time – or is ever brought up at any time – was that Schott, who lived through the World War II period, might simply be remembering American press coverage from *before the war*. American newspapers were not universal in their scorn for Hitler, right from his first appearance on the scene; in fact, they frequently praised him. William Randolph Hearst, in fact, actually made a deal with the Nazis to produce favorable press coverage. Likewise, those in power during the time did not always bear ill will toward the policies of Nazi Germany. The reverse is quite true, as we shall see.

There were many fascist groups in America. They supported the Nazis monetarily and otherwise. The groups themselves tended to be funded not by out-of-touch radicals, but by powerful capitalists – the backbone of our "free" economy.

In other words, Schott may well have had a basis for her beliefs – her own memory of a time when Hitler was not a cartoonish villain of American melodrama. For quite some time, many industrialists and politicians openly admired Hitler. For many of these same people, their admiration – and overt assistance – did not end in 1941, but continued right on into the war.

HENRY FORD

Henry Ford, of course, is well known for his anti-Semitic outlook. When one examines the facets of Ford's personality, it is not difficult to see why he found fascism agreeable. Given his then-revolutionary view of the corporation as a (purportedly) benign parental interest, it seems even logical. Ford saw the factory as a place where a worker could find a cure for idleness, necessities to purchase, and a steady paycheck, without interference from such vile notions as labor rights or unionizing. Furthermore, of course, Ford had read *The Protocols of the Elders of Zion*, a book of apocryphal origin that purports to detail the manner in which the Jews come to dominate world commerce. The book solidified Ford's already entrenched belief that the Jews, in effect, controlled the world and that something must be done about them.

In the early 1920s, Ford was ready to do something. He began publishing an anti-Semitic newspaper. He also wrote and published a book called *The Eternal Jew*, appearing in 1921, which consisted of a discourse about the *Protocols of the Elders of Zion*. Although the Protocols are largely discredited, at the time Ford publicly remarked: "The only statement I care to make about the Protocols is that they fit in with what is going on. They are sixteen years old, and they have fitted the world situation up to this time. They fit it now."

Ford's book was widely read, even in Germany. Baldur von Schirach, for example, read *The Eternal Jew* in 1921. He later told his jailers at Nuremberg that reading the book caused him to become an anti-Semite at the age of 17.¹⁷⁹ Von Schirach joined the Brownshirts in 1925 and

¹⁷⁹ William L. Shirer, *The Rise and Fall of the Third Reich*, p. 209.

eventually became Youth Leader of the Nazi Party in 1931.¹⁸⁰

OTHER CORPORATE FIGURES

Irene du Pont, the main force behind the du Pont fortune, was also an avid supporter of Hitler. Shortly after the armistice, he traveled to Germany to renew contacts with I. G. Farben. The du Pont family had made their fortune during WWI. They used the money to buy a controlling share in General Motors.¹⁸¹

Du Pont was a true believer. On September 7, 1926, he gave a speech before the American Chemical Society, in which he advocated – quite literally – the creation of a race of supermen. How would this be accomplished? By injecting special drugs into targeted children who had the best chance of blossoming into Aryan perfection. Not every child would receive such injections, of course; du Pont insisted that only those of pure blood would be eligible.¹⁸²

Another name that would become entwined with the Nazis belonged to Averell Harriman. The company W. A. Harriman got it start when Harriman traveled to Berlin on business. There he met Fritz Thyssen, who shared Harriman's fondness for Germany. They resolved to go into business together in 1921. Harriman hired another notable figure from history, George Herbert Walker, to handle both the Berlin office and his New York office. Walker, of course, was George Herbert Walker Bush's grandfather. In 1925, Harriman formed the Union Banking Corporation together with George Herbert Walker, bank manager Hendrick J. Kuowenhoven, and his brother Henry. Henry Harriman would later distinguish himself in 1932 by commenting: "Give the President, so far as so constitutionally be done, the right, when Congress is not in session, to suspend the operation of existing laws and to provide for emergency measures required by public welfare."¹⁸³

In 1923, the National Socialist German Workers' Party officially became the Nazi Party. Fritz Thyssen, Harriman's business partner, met with a General Ludendorff, an old family friend. Ludendorff explained that Germany's future depended upon the Nazi Party; Thyssen, interested, quickly turned into a supporter. Regarding Hitler, Harriman remarked: "I realized his orator gifts and his ability to lead the masses. What impressed me most, however, was the order that reigned over his meetings, the almost military discipline of his followers."

In April of 1933 Gustav Krupp sought out a private meeting with Hitler. Krupp agreed to become Hitler's chief fundraiser and chairman of the Adolf Hitler Fund; in return, Hitler promised to appoint Krupp as the fuhrer of German industry. Over the years, Krupp contributed over six million marks of his own money to the Nazis.

IBM would also partner up with the Axis forces. Thomas Watson, director of IBM, stated at a 1933 business meeting: "I want to pay tribute (to the) great leader, Benito Mussolini. I have followed the details of his work very carefully since he assumed leadership. Evidence of his leadership can be seen on all sides. Mussolini is a pioneer. Italy is going to benefit greatly."¹⁸⁴ Watson also maintained a correspondence with Dr. Schacht, Hitler's economic minister.

General Motors, by the 1930s, had also made the decision to collaborate with the Nazis. Alfred P. Sloan, who had been the president of General Motors, became the chairman in 1937.

¹⁸⁰ Ibid, p. 349.

¹⁸¹ Joseph Borkin & Charles A. Walsh, *Germany's Master Plan*, p. 86-87.

¹⁸² Charles Higham, *Trading With the Enemy*, p. 162-166.

¹⁸³ Gerard Colby Zilg, *DuPont: Behind the Nylon Curtain*, p. 265.

¹⁸⁴ Edwin Black, *IBM and the Holocaust*, p. 70.

He had a great personal interest in Hitler, visiting Germany on numerous occasions to meet with both the Fuhrer and Herrmann Goering. A year before he made chairman, he had sponsored a rally held by the National Council of Clergymen and Laymen in Asheville, North Carolina. The rally included a series of speeches given by John Henry Kirby (a Texas lumber millionaire), Georgia Governor Eugene Talmadge, and Reverend Gerald K. Smith, all extolling the virtues of fascism.

This support did not always take the form of speeches. Occasionally one of their number would produce a ‘moderate’ book that purported only to recommend a pragmatic appeasement. One such example was the handiwork of the vice-president of General Motors, Graeme Howard. Author Charles Higham remarks: “Under FBI surveillance throughout his whole career with the company, he was an outright fascist who wrote a poisonous book, *America and the New World Order*, that peddled the line of appeasement, and a virtually identical doctrine to that of Hitler in terms of free trade and the restoration of the gold standard for the United States of Fascism in which General Motors would no doubt play a prominent part.”¹⁸⁵

THE BIRTH OF SPIN

These companies would eventually be in need of what would one day be called “public relations,” since supporting the Nazis – especially later, when the U.S. entered the war – would not make for good press. As a result, opportunities arose for individuals who proved talented in the art of lying. I.G. Farben, which was perhaps the worst offender among those companies doing business with Hitler, employed just such a person, a man named Edward Bernays, to provide spin control. He is often described as the father of public relations.

By the middle twenties, Bernays had gotten a foothold among large corporate clients in need of spin control. The beloved nephew of Sigmund Freud, he had been working in his invented field for about ten years, but which only now began paying large dividends. He wrote books with titles such as *Propaganda* and *The Engineering of Consent*. Among his many ‘accomplishments’ was inventing the hearty breakfast: “He helped jump-start sales of bacon, a breakfast rarity until the 1920s, by enlisting a prominent doctor to solicit fellow doctors’ opinions on the salutary benefits of a hearty breakfast and by arranging to have famous figures photographed eating breakfasts of bacon and eggs.”¹⁸⁶ Bernays was thus the inventor of those television commercials that purport to tell us that ‘4 out of 5 doctors’ agree that Product X is superior to Product Y.

Bernays clients, in 1929, boasted a lineup of powerful corporations: New Jersey Bell, Procter & Gamble, Knox Gelatin, and American Tobacco. He also pulled off an absurd P.R. blitz by General Electric this year, at a time when G.E. was experiencing some image issues. He had G.E. sponsor an event in praise of Thomas Edison’s invention of the light bulb.

Edison was not particularly inclined to help G.E. In 1891, J. P. Morgan had wrested away the Edison General Electric Company from the famed inventor of the light bulb. As soon as his feat was accomplished, Morgan removed Edison’s name from the company and rechristened it General Electric. (G. E., of course, went on to become one of the most powerful corporations in the United States, eventually owning – among other holdings – the National Broadcasting Company, NBC.) Still, Edison ended up going along with it, despite his decided ambivalence toward General Electric.¹⁸⁷

¹⁸⁵ Higham, *Trading With the Enemy*, p. 166.

¹⁸⁶ Sheldon Rampton & John Stauber, *Trust Us, We’re Experts.*, p. 41-45.

¹⁸⁷ *Ibid.*, p. 46-47.

Bernays also found his way, as one might imagine, to helping the tobacco industry, creating what may have been the first ‘front group.’ A now-common strategy used by industries, a ‘front group’ is a paid-for ‘grassroots’ lobby group that supports whatever those in power want. So, for example, the CIA uses the False Memory Syndrome Foundation, a front group that lends its voice to television networks and *Skeptic* magazine, to try and drown out people who claim to have had memories traumatically erased. These front groups then become the primary voice to the media outlets, and shout down any attempt to produce evidence or facts in contradiction to their chosen cause.

II.

THE DULLES CONNECTION

Two of the most important figures in 20th century American history were criminal brothers: Allen and John Foster Dulles. During the 1920’s, both worked for the famed Wall Street firm Sullivan & Cromwell. Eventually, of course, Allen would become head of the Central Intelligence Agency, while John Foster would serve as Secretary of State. Between the two of them, they would help hide the funds of companies collaborating with the Nazi Party (up until and all through World War II) while Allen would later serve as the driving force behind mind-control experiments on American citizens.

Sullivan & Cromwell were already extremely powerful by the mid-1920s. Perhaps their greatest contribution to corporate empire had occurred as a result of the changes that took place in New Jersey. Already a favorite home for corporations (as a result of their exceptionally giving laws of incorporation), the local legislature changed the laws again in 1888 so that *any* corporation incorporated in New Jersey could hold any stock in any other corporation in any state. This made New Jersey the center of corporate power, as virtually every large corporation benefits from its laws of incorporation while expanding throughout the United States.

In 1892, the law firm worked to make even these changes more liberal. They lobbied (and successfully got through) rules to prevent shareholders from inspecting a corporation’s books and interfering in corporate management. Even better, the changes allowed corporations to hold shares of other corporations. These new laws were designed to get around the Sherman Antitrust Act of 1890, which was already largely toothless even when it passed.¹⁸⁸ Of the Sherman Act, author Ferdinand Lundberg invokes a rather sardonic (if realistic) assessment:

The mystery, if such it ever was, is neatly dispelled by Judge Thurman Arnold in his *The Folklore of Capitalism*. Arnold was from 1938 to 1943 in charge of the antitrust division of the Department of Justice, and he knew whereof he spoke. The operative function of the Sherman Act, Arnold holds, is to make possible from time to time ceremonial observances of the American belief in competition. These ceremonial observances take the form of criminal prosecutions, so that a concerned fraction of the public may believe the competitive situation is being defended. Meanwhile, concentration and monopoly advance in rapid strides from decade to decade as in Europe. Those convicted do not alter their behaviour.¹⁸⁹

Sullivan & Cromwell became the law firm of choice for wealthy capitalists seeking to

¹⁸⁸ Nancy Lisagor & Frank Lipsius, *A Law Unto Itself*, p. 26-27.

¹⁸⁹ Ferdinand Lundberg, *The Rich and the Super-Rich*, p. 145.

consolidate their wealth. J. P. Morgan employed the law firm in 1901 to organize U.S. Steel, the first American corporation with more than one billion dollars in capital. In addition, Averell Harriman had Sullivan & Cromwell assist him in a successful proxy fight involving the Illinois Central Railroad. Harriman, as noted, later was involved in the I. G. Farben debacle; the Harriman family continued to be closely tied to the Bush family even up until the present.¹⁹⁰

The late 20th century was marked by this centralization of power, so much so that Teddy Roosevelt remarked in 1906: “Behind the ostensible government sits enthroned an invisible government owing no allegiance and acknowledging no responsibility to the people. To destroy this invisible government, to befoul the unholy alliance between corrupt business and corrupt politics is the first task of the statesmanship of the day.”¹⁹¹

For all practical purposes, the consolidation of ownership of the United States in the hands of a few men had been accomplished by 1890. A decade later, the situation had only been made worse. (We will review this period in a later chapter.) In the early part of the 20th century, the consolidation would be commented on even in mainstream sources. For example, in an article by John Moody called “The Seven Men,” published in *McClure’s*, Moody refers to them by name: “Seven men in Wall Street now control a great share of the fundamental industry and resources of the United States. Three of the seven men, J.P. Morgan, James J. Hill, and George F. Baker, head of the First National Bank of New York belong to the so-called Morgan group; four of them, John D. and William Rockefeller, James Stillman, head of the National City Bank, and Jacob H. Schiff of the private banking firm of Kuhn, Loeb Company, to the so-called Standard Oil City Bank group... the central machine of capital extends its control over the United States...The process is not only economically logical; it is now practically automatic.”¹⁹²

John Foster Dulles had joined the Sullivan & Cromwell firm in 1911. Already a rising star at that point, he was chosen to visit Europe in 1913 to hawk insurance for the American Cotton Oil Company, an important Sullivan & Cromwell client. Two years later, the Dulles family would receive some good fortune when their relative Robert Lansing (Dulles’ ‘Uncle Bert’) was appointed U.S. Secretary of State. Lansing recruited his nephew to go to Nicaragua, Costa Rica and Panama. In Nicaragua, Dulles befriended Conservative candidate Emiliano Chamorro and encouraged him to suspend diplomatic relations with Germany. Dictator Federico Tinoco led Costa Rica at this time. Dulles advised Washington to support the dictator, in spite of his being “unscrupulous.” He suggests this course of action ostensibly because the dictator is anti-German. In Panama, Dulles offers to let Panama waive the tax on its annual canal fee as long as they declare war on Germany. He recommends, however, a “third party” made up of the “better class of businessmen and professionals” should take over Panama. During this time, Liberal Cuban leader Orestes Ferrara contacted Sullivan & Cromwell. He asked for help, complaining that the Conservatives had stolen the election. “The State Department, acting on instructions from President Wilson, refused to cooperate and decried the liberal revolt as ‘lawless and unconstitutional.’”

With his success in Central America, Dulles was commissioned as a captain for a position in military intelligence working for the war trade board. While on the trade board, Dulles recommended installing a new leader in Cuba, voiding the recent election. His concern is not for the welfare of the citizens of Cuba, but rather for thirteen Sullivan and Cromwell clients that held huge sugar interests. President Wilson refuses, but does end up sending 1,600 Marines to protect American sugar interests.¹⁹³

¹⁹⁰ Ibid, p. 35-36.

¹⁹¹ Theodore Roosevelt, speech, 1906.

¹⁹² John Moody, “The Seven Men,” from *McClure’s Magazine*, 1912.

There is no doubt that John Foster Dulles had an awareness of what he was doing. He, along with his brother Allen, participated in assisting the Nazi government both prior to and during America's involvement in World War II. For example, on October 11, 1944, a secret government document, produced during the post investigation of corporate malfeasance, concluded that Dulles must have known that American Bosch was German-owned.¹⁹⁴

Even Leonard Mosley, whose biography of the Dulles family whitewashes much of this and attempts to put a favorable spin on some of their more outrageous dealings, writes: "He had maintained close contact with du Pont ever since 1925, as a member of the State Department...later, he had winked at du Pont's illegal dealings with German arms manufacturers and persuaded the Senate to overlook them too. His efforts had been rewarded and he was now a shareholder in some of the companies."¹⁹⁵

THE DAWES AND YOUNG PLANS

After World War I, the Treaty of Versailles required Germany to pay back huge sums to the other countries involved in the war as reparations. These payments, in fact, helped key the rise of Hitler to power, as the public grew resentful of these onerous duties. The payments effectively prevented German citizens from obtaining a standard of living comparable to the rest of Europe.

John Foster Dulles had developed a specialized knowledge of the German economy, helping to arrange enormous loans for the rebuilding country. "Of the \$9.4 billion in foreign securities held by American citizens at the time of the stock market crash, \$1.2 billion were of German origin – more than 10 percent of the total. Considering that the first major public offering of German securities in the United States was not made until 1924, the financial dimensions of the subsequent five years' activities becomes even more impressive." The biggest loan – arranged in 1924 – totaled \$100 million, managed by several companies, including J.P. Morgan and Kuhn, Loeb & Company. Other loans of interest: \$20 million to the Berlin City Electric Company, by Lee, Higginson and W. A. Harriman; \$30 million to the State of Prussia, by Harris and Forbes in 1927; and a 1930 loan of \$98 million to the German government, by several parties, including J. P. Morgan and Chase Securities.¹⁹⁶

The J. P. Morgan coterie of bankers decided to come up with a solution in 1924. Charles Dawes led a committee to devise a method by which Germany could make the payments (and, incidentally, make a mint). Under the Dawes Plan, the U.S. lent Germany money to pay its international reparations to England and France. In turn, England and France repaid the U.S. In effect, it was an enormous money-laundering scheme, from which Dulles clients reaped a financial windfall. In the seven-year period following the Dawes plan, Germany paid 86 billion marks in reparations but received 138 billion marks in loans from the Allies (of which a percentage of each loan filtered back to the House of Morgan).¹⁹⁷ In practical terms, that meant the burden of German reparations was being shifted to the buyers of German bonds sold by Wall Street firms at hefty commissions – most profitably, of course, Sullivan & Cromwell.

Author John Loftus writes about the Dulles scheme: "We first turn to Dulles's creation of international finance networks for the benefit of the Nazis. In the beginning, moving money into the Third Reich was quite legal. Lawyers saw to that. And Allen and his brother John Foster

¹⁹⁴ Lisagor & Lipsius, *A Law unto Itself*, p. 146-151.

¹⁹⁵ Leonard Mosley, *Dulles*, p. 92.

¹⁹⁶ *Ibid*, p. 70-72.

¹⁹⁷ Anthony Sutton, *Wall Street and the Rise of Hitler*, p. 14.

were not just any lawyers. They were international finance specialists for the powerful Wall Street law firm of Sullivan & Cromwell...The Dulles brothers were the ones who convinced American businessmen to avoid U.S. government regulation by investing in Germany. It began with the Versailles Treaty, in which they played no small role. After World War I the defeated German government promised to pay war reparations to the Allies in gold, but Germany had no gold. It had to borrow the gold from Sullivan & Cromwell's clients in the United States. Nearly 70 percent of the money that flowed into Germany during the 1930s came from investors in the United States, many of them Sullivan & Cromwell clients. . .Foster Dulles, as a member of the board of I.G. Farben, seems to have had little difficulty in getting along with whoever was in charge. Some of our sources insist that both Dulles brothers made substantial but indirect contributions to the Nazi party as the price of continued influence inside the new German order. . ."¹⁹⁸

The Young Plan, mentioned above, was another plan that involved profiting from German reparations. General Electric played a critical part in the Young Plan, as the author of the plan was one Owen Young. Young was a member of the G.E. board and had also assisted John Foster Dulles in creating the Dawes Plan. G.E. had a great deal of money tied up in Germany, which meant that they were interested in creating enough stability for them to realize returns on their investments. The managing director of General Electric's German subsidiary, Walter Rathenau, sums up their attitude: "The new economy will, as we have seen, be no state or governmental economy but a private economy committed to a civic power of resolution which certainly will require state cooperation for organic consolidation to overcome inner friction and increase production and endurance."¹⁹⁹

Translation: *We need a corporate state.*

I. G. FARBEN

By 1925, I.G. Farben had established powerful allies inside the Republican administration. Secretary of Commerce Herbert Hoover appointed a nine-member board, the Chemical Advisory Committee, whose ostensible purpose is to help the American chemical industry defeat the I.G. cartel. However, seated on the committee are Walter Teagle (Standard Oil of New Jersey), Lamot du Pont, Frank Blair (President of Sterling) and Henry Howard (Vice-president of Grasselli).²⁰⁰ None of these men are interested in defeating the I.G. cartel, since they are at the time *cooperating with it.*

I. G. Farben was quite open about its own involvement in the mid-1920s, although this would change. For example, their first chairman, Dr. Karl Duisberg, stated: "Be united, united, united. This should be the uninterrupted call to the parties of the Reichstag. We hope that our words of today will work, and will find the strong man who will finally bring everyone under one umbrella...for he is always necessary for us Germans, as we have seen in the case of Bismarck." He will go on to found the Bayer Company, famous for its analgesics.

August Thyssen, patriarch of the Thyssen family, died in 1926. Fritz Thyssen took over the family business, using his own capital to start United Steel Works. George Herbert Walker's son-in-law, Prescott Bush, was hired to handle the United Steel Works account for W. A. Harriman. Prescott Bush will later be notable for fathering a future President, George Herbert Walker Bush. United Steel likewise did a great deal of business with the Nazis. It will later be

¹⁹⁸ John Loftus, *The Secret War Against the Jews*, p. 55-60.

¹⁹⁹ Sutton, *Wall Street and the Rise of Hitler*, p. 15.

²⁰⁰ Howard Walton Ambruster, *Treason's Peace*, p. 138-139.

found (during Congressional hearings held after the war) to have supplied more than 50% of all the pig iron for Germany, throughout the war. In fact, Fritz Thyssen actually *joined the Nazi Party* in December of 1931.

In a memo dated March 22, 1932, J.K. Jenny, of the Foreign Relations Department of du Pont, noted that I.G. and other German industrialists financed Hitler: "It is a matter of common gossip in Germany that I.G. is financing Hitler. Other German firms who are also supposed to be doing so are Krupp and Thiessen. How much truth there is in the gossip we are unable to state, but there seems to be no doubt whatever that Dr. Schmitz (director-general of I.G.) is at least a large contributor to the Nazi Party."²⁰¹

Eventually, I. G. Farben was reduced to simply taking orders from Hitler, as when he demanded that the company raise the production of synthetic oil to 300,000 tons a year by 1937. At the same time, they also begin setting up a plant to manufacture *buna*, a synthetic rubber.²⁰²

As noted, over the years the collaboration became a public issue. I. G. Farben official Max Ilgner hired public relations hack Ivy Lee, also in 1937, to help their image, at a cost of \$25,000 a year. Lee traveled to Germany to take meetings with Joseph Goebbels and Hitler. One of Lee's suggestions was for Joachim von Ribbentrop to write articles for U.S. publication and speak out over the radio. Ilgner would later be convicted at Nuremberg.²⁰³

THE GANGSTER STATE

The Great Depression began in 1929 during the Hoover Administration. As a result of the Depression, W. A. Harriman was forced to find a partner to help stabilize the company. The new firm was called Brown Brothers Harriman.

At the same time, Murder Incorporated got its start. Beginning in 1929, and going to about 1933, famed gangsters Lucky Luciano and Meyer Lansky joined forces to "set up a crime syndicate that Lansky claimed to have modeled on John D. Rockefeller's Standard Oil Trust." On the board were several other noted mobsters, including Dutch Schultz, Bugsy Siegel and Vito Genovese. They had been dabbling in heroin smuggling since 1918. Lansky took many trips during this period to visit Fulgencio Batista, the Cuban dictator who had full U.S. support. They set up gambling houses in Havana, giving half the profits to Batista. In exchange, Batista agreed to allow drug shipments from Sicily and Marseille to be stored there before they were distributed throughout the United States.

Santos Trafficante was picked to run the gambling houses in Cuba. He would later be asked by the CIA to assist in the assassination attempts on Fidel Castro.²⁰⁴ He will also figure in the Kennedy assassination aftermath, as will other members of the Vita Genovese family.

GERMANY'S 'ECONOMIC MIRACLE'

Dr. Hjalmar Horace Greeley Schacht resigned his presidency of the Reichsbank in 1932, due to his opposition to the Young Plan. He met Joseph Goering that same year. Dr. Schacht would be primarily responsible for Germany's economic 'miracle.' What he did, essentially, was to convert Germany to a war economy. The idea was borrowed, as would seem natural, from the Prussians. The economic miracle, which ended up creating both the Volkswagen (literally the 'people's car') and the Autobahn, transformed a country with six million

²⁰¹ Borkin & Walsh, *Germany's Master Plan*, p. 58.

²⁰² Shirer, *The Rise and Fall of the Third Reich*, p. 389.

²⁰³ John Stauber & Sheldon Rampton, *Toxic Sludge is Good for You*, p. 149.

²⁰⁴ Alexander Cockburn & Jeffrey St. Clair, *Whiteout*, p. 122.

unemployed German workers in 1932 to one with less than a million unemployed by the time of the war.

Dr. Schacht also met Hitler, and was quite impressed with him, at least at first. Schacht had New York banker connections; in fact, he and his brother had worked for the Equitable Trust, a Morgan-controlled company. He made frequent visits to both Owen Young of General Electric and William Farish, the chairman of Rockefeller's Standard Oil of New Jersey.²⁰⁵ Schacht worked to put Hitler in contact with banker and industrialist friends, drumming up interest in financing and investment, all in an effort to bring the title of Chancellor to Hitler.²⁰⁶

This new economy would have two immediate benefits: it would unite and employ the German people, and it would prepare the way for war. William Shirer puts it thus: "General Ludendorff, in his book *Total War (Der Totale Krieg)* whose title was mistranslated into English as *The Nation at War*, published in Germany in 1935, had stressed the necessity of mobilizing the economy of the nation on the same totalitarian basis as everything else in order to properly prepare for total war. It was not exactly a new idea among the Germans, for in Prussia during the eighteenth and nineteenth centuries some five sevenths of the government's revenue, as we have seen, was spent on the Army and the nation's whole economy was always regarded as primarily not an instrument of the people's welfare but of military policy."²⁰⁷

HITLER'S ARRIVAL & ECONOMIC SHELL GAMES

On January 30, 1933, Adolf Hitler was sworn in as Chancellor of Germany. On February 20, 1933, he held a cabinet meeting with his financial backers. Dr. Schacht played host, although the meeting was held at Goering's Reichstag President's Palace. "The big businessmen, pleased with the new government that was going to put the organized workers in their place and leave management to run its businesses as it wished, were asked to cough up. This they agreed to do... Goering and Hitler laid down the line to a couple of dozen of Germany's leading magnates, including Krupp von Bohlen, who had become an enthusiastic Nazi overnight, Bosch and Schnitzler of I.G. Farben, and Voegler, head of the United Steel Works."²⁰⁸

Later, Hitler gives a speech in which he stated: "Private enterprise cannot be maintained in the age of democracy; it is conceivable only if the people have a sound idea of authority and personality... All the worldly goods we possess we owe to that struggle of the chosen... We must not forget that all the benefits of culture must be introduced more or less with an iron fist."

Hitler's wishes (or those of his financiers) were quickly put into play. Dr. Schacht, by 1934 the Nazi Minister of Economy, gave instructions to hasten the privatization of municipal enterprises. "All of Schacht's admitted wizardry in finance was put to work to pay for getting the Third Reich ready for war. Printing banknotes was merely one of his devices. He manipulated the currency with such legerdemain that at one time it was estimated by foreign economists to have 237 different values... His creation of credit in a country that had little liquid capital and almost no financial reserves was the work of genius, or – as some said – of a master manipulator. His invention of the so-called "Mefo" bills was a good example. These were simply bills created by the Reichsbank and guaranteed by the State and used to pay armament manufacturers... From 1935 to 1938 they were used exclusively to finance rearmament and amounted to a total of twelve billion marks."²⁰⁹

²⁰⁵ Sutton, *Wall Street and the Rise of Hitler*, p. 7.

²⁰⁶ Shirer, *The Rise and Fall of the Third Reich*, p. 205.

²⁰⁷ *Ibid.*, p. 357-358.

²⁰⁸ *Ibid.*, p. 265.

Meanwhile, John Foster Dulles continued to work a shell game in which he arranged to hide the Nazi ties of Sullivan & Cromwell clients. One of these clients is Brown Brothers Harriman, whose financial entanglements with the Nazis grow more and more difficult to conceal. The Dulles brothers, however, are up to the task.

Dulles handled the legal end while fellow lawyer George Murnane handles the operational end. Together they fabricate a deal in which the American Bosch Company sells its international interests to the Mendelssohn Company of Amsterdam with a right to repurchase them at a later date. Fritz Mannheimer, the head of Mendelssohn, is a German agent.

III.

THE BUSINESS INTERESTS CONSPIRE AGAINST FDR

In 1934 a plot formed against President Franklin Delano Roosevelt. Irene du Pont – who, you will remember, desired a race of supermen – and William Knudsen, the president of General Motors, along with friends of the Morgan Bank and others set into motion a plot to overthrow FDR. They provided \$3 million in funding for an army of terrorists modeled after the French fascist group, the *Croix de Feu*.²¹⁰ The objective of the plot was to either force Roosevelt to take orders from this group of industrialists as part of a fascist style-government; or, to execute him if he chose not to cooperate.

The plotters selected General Smedley Butler, a WWI hero to head the plot. Butler was overtly opposed to fascism and had spoken out about it, denouncing Mussolini as a murderer and thug in 1931. A J. P. Morgan brokerage lawyer named Gerald MacGuire visited Butler in an attempt to get him to lead the revolt. “Then MacGuire made his pitch. A ‘militantly patriotic’ veterans’ organization, like the fascist *Croix de Feu* operating in France, was the only kind of organization that could force a change in Washington; he suggested Butler lead such an organization in a ‘march on Washington.’”²¹¹

Some politicians also favored a change of government. David Reed, the Republican Senator from Pennsylvania, noted in May 1932: “I do not often envy other countries and their governments, but I say that if this country ever needed a Mussolini, it needs one now.” In another meeting, MacGuire threatened that if Butler did not accept leadership of the plot, General Douglas MacArthur would replace him. MacGuire claimed that the Morgans favored MacArthur but that he had held out for Butler. In response, the plotters brought in Frank N. Belgrano Jr, a senior vice president of the Gianinni's Bank of Italy that handled Mussolini's business accounts to head the American Legion. Giannini also founded the Bank Of America, and remained an official of Bank Of America until after the death of the founder, Giannini. After his death, Belgrano founded Transamerica.

Beginning in July 1934, the press (including Henry Luce's *Fortune* magazine) unleashed a propaganda blitz extolling the virtues of fascism. MacGuire himself was quoted as saying “We need a fascist government in this country... to save the nation from the communists who want to tear it down and wreck all that we have built in America. The only men who have the patriotism to do it are the soldiers, and Smedley Butler is the ideal leader. He could organize a million men overnight.”²¹²

Why would a group of businessmen want the overthrow of the United States

²¹⁰ Higham, *Trading With the Enemy*, p. 162.

²¹¹ Zilg, *DuPont: Behind the Nylon Curtain*, p. 292.

²¹² Jules Archer, *The Plot to Seize the White House*, p. 195-198.

government? The usual reason: a better atmosphere to conduct business. J. P. Morgan, for his part, wanted a return to the gold standard; meanwhile, other wealthy interests were generally opposed to FDR's 'socialist' reforms. "...MacGuire had been subsequently sent to Europe in the spring of 1934 on 'business' which amounted to a survey of the role played by veterans in Mussolini's Fascisti, in Germany's Nazi Party, and in France's fascist Croix de Feu movement...MacGuire's favorable impressions of European fascism did not exist in a social vacuum, however. Many business leaders, including those in the DuPont camp, and even some liberals for a time, had been infatuated by the fascist movement...In America many openly fascist organizations had sprung up, including the Khaki Shirts, the Blue Shirts, the White Band, the Nationalists, and the Silver Shirts.

"On November 20, 1934, General Butler revealed the whole ugly scheme by testifying before a private session of the Special House Committee on Un-American Activities...But the Committee, perhaps frightened of the implications, refused to delve further into the conspiracy, suppressing much of the most incriminating testimony in its official report to the House on February 15, 1939. Nevertheless, the report confirmed a plot to overthrow Roosevelt with a fascist *coup d'etat*."²¹³

The whole affair might have succeeded, and never would have reached the public, had Smedley Butler not come forward. His assessment of the business-controlled government appears below; it rewards multiple readings. One thing to remember is that Butler was the Real Thing – a war hero who could be expected to be as patriotic as anyone. His statements are therefore doubly amazing.

THE MEDIA SUCKS UP TO HITLER

Also in 1934, William Randolph Hearst made overtures to both Hitler and Mussolini to write columns for him in Hearst publications. 'He is a marvellous man,' Hearst wrote in regard to Hitler. 'It is astonishing how he takes care of every detail of his job.'²¹⁴

Mussolini agreed to write a column for Hearst papers. Not a proficient reader or writer, he delegated the job to his mistress, who was not particularly adept herself. Still, a bargain is a bargain, and thus the United Press wire began running columns written by Mussolini's mistress. However, he did take the \$1750 per column that Hearst offered. Hitler did not begin writing columns, but Goebbels was able to buy Hearst's cooperation for \$400,000. The latter also had his picture taken with Alfred Rosenberg, which caused him much grief in America. Swanburg writes in *Citizen Hearst*: "Doubtless Hearst saw in fascism a useful bulwark against Communism, which terrified him with its threat to liberty and private property. If he had to choose between the two, he would certainly have picked fascism, but the evidence indicates he preferred traditional American democracy above all."²¹⁵

Hearst made the same choice that the U.S. government has made, time and again, in preferring fascism to communism. What Swanberg (the author of *Citizen Hearst*) fails to recognize is that what is meant by 'traditional American democracy' is typically disguised fascism. That is to say, you are free to vote, as long as your votes fall within a spectrum approved by the government.

At the same time, the aforementioned Ivy Lee, one of the fathers of the P.R. movement, went before a House Special Committee because of his involvement in helping Nazi Germany,

²¹³ Zilg, *DuPont: Behind the Nylon Curtain*, p. 294-296.

²¹⁴ W. A. Swanburg, *Citizen Hearst*, p. 310.

²¹⁵ *Ibid*, p. 526-528.

and I.G. Farben in particular. He states that he met Hitler and asked him to stop persecuting Jews.²¹⁶ His explanation is not met with spontaneous applause.

VOODOO ECONOMICS

Hitler returned the stock of United Steel in 1936 to private hands. Throughout the 1933-1936 period the Nazi returned to private hands the control of several banks: Dresdner, Danat, Commerz and Privatbank, the Deutsche Bank and several others. In 1936 the steamship company Deutcher Schiff and Maschinenbau was returned to the private sector. Rich industrialists coveted these enterprises, as they had been prosperous even during the depression.

Both in fascist Italy and Nazi Germany, the tax system was changed to one favoring business and the wealthy. The Nazi allowed industry to deduct from their taxable income all sums used to purchase new equipment. Rich families employing a maid were now allowed to count the maid as a dependent child and reap the tax benefit. In Italy the Minister of Finance stated: "We have broken with the practice of persecuting capital."

Nevertheless, Goering replaced Schact as economic dictator. Schact had been increasingly unhappy. Some industrialists were also unhappy. "...burdened by increasing taxation and milked by steep and never ending 'special contributions' to the party, the businessmen, who had welcomed Hitler's regime so enthusiastically because they expected it to destroy organized labor and allow an entrepreneur to practice untrammelled free enterprise, became greatly disillusioned. One of them was Fritz Thyssen, one of the earliest and greatest contributors to the party."²¹⁷ Thyssen fled Germany.

Dr. Schact believed that the good economic times could not be extended indefinitely. As an economist, he recognized the essentially short-term lifespan of his own remedies. Hitler was not prepared to listen and replaced him. "...He had concocted any number of fancy schemes, including the use of the new printing press, to raise the money for the new Army, Navy, and Air Force and to pay the armament bills. But there was a limit beyond which the country could not go without becoming bankrupt, and by 1936 he believed Germany was approaching that limit. He warned Hitler, Goering and Blomberg, but to little avail..."²¹⁸

America's Ambassador to Germany, William Dodd, reported to President Roosevelt in August, 1936: "At the present moment, more than a hundred American corporations have subsidiaries here or cooperative understandings. The du Ponts have their allies in Germany that are aiding in the armament business. Their chief ally is the I. G. Farben Company (the primary supporter of Hitler)...Standard Oil Company (of New York) sent \$2,000,000 here in December, 1933, and has made \$500,000 a year helping Germans make Ersatz gas for war purposes; but Standard Oil cannot take any of its earnings out of the country except in goods...The International Harvester Company President told me their business here rose 33% a year but they could take nothing out. Even our airplane people have secret arrangements with Krupps. General Motors Company and Ford do enormous business here through subsidiaries and take no profits out. I mention these facts because they complicate things and add to war dangers."

In 1937 George Murnane became chairman of the board at American Bosch. Through this period, the American Bosch Company tried to get the German company to reduce the five percent royalty it paid. To induce the German company to agree, American Bosch volunteered information about costs, selling prices and other competitive data. The Nazi government was

²¹⁶ Stauber & Rampton, *Toxic Sludge is Good for You*, p. 149.

²¹⁷ Shirer, *The Rise and Fall of the Third Reich*, p. 360.

²¹⁸ Ibid, p. 424.

delighted in the exchange of data, as it provided them with a blueprint of American war production prior to the US entry into the war. As war approaches, the Nazis further camouflage the true owner of American Bosch; John Foster Dulles arranges another sale, this time to the Wallenbergs of Sweden. Besides critical fuel injectors, Bosch also produces walkie-talkies for the Third Reich.

To further conceal the German ownership, Dulles constructed a maze of corporations that seem American without transferring power outside of Germany. He has the Wallenbergs put their shares in Providentia, a Delaware corporation. Dulles was the sole voting trustee of this corporation and has full authority to dispose of the shares.

William Dodd remarked in 1937: "A clique of U.S. industrialists is hell-bent to bring a fascist state to supplant our democratic government and is working closely with the fascist regime in Germany and Italy. I have had plenty of opportunity in my post in Berlin to witness how close some of our American ruling families are to the Nazi regime. Certain American industrialists had a great deal to do with bringing fascist regimes into being in both Germany and Italy. They extended aid to help Fascism occupy the seat of power, and they are helping to keep it there."²¹⁹

THE AGREEMENTS PERSIST

By 1939, I. G. Farben was providing the Nazis with 90 percent of their foreign exchange, 95 percent of imports and 85 percent of all military and commercial goods. Eventually, I.G. Farben would produce Zyklon-B, the chemical used to gas the Jews in concentration camps.

The Nazis invaded Poland. Originally, Hitler had wanted to build factories using Soviet prisoners, in a deal he had made with Stalin. During the early part of World War II, Hitler had promised not to invade Russia; it is unclear whether he ever intended to maintain that promise. In any event, his deal with Stalin fell through, so he was forced to turn to using gypsies, radicals, and Jews to build the needed factories. I. G. Farben built a factory near a Polish town where many of these people continued to be shipped. The name of the town was Auschwitz; it would later be known as perhaps the most notorious concentration camp during the war.

The chemical trust I.G. Farben had chosen the site because it proved suitable for the building of a new plant that would be responsible for the production of synthetic coal oil and rubber. By 1940, two members of the SS would be placed in charge of the Auschwitz concentration camp. They were Josef Kramer, the "Beast of Belsen," and Rudolf Hess, who was already a convicted murderer before he had arrived at the camp. Hess, "in 1946, at the age of forty-six, would boast at Auschwitz he had superintended the extermination of two and a half million persons, not counting another half million who had been allowed to 'succumb' to starvation."²²⁰ Although Auschwitz became an extermination camp in the 1940s, I.G. Farben never stopped production.

Farben also had an agreement in which Standard Oil – owned, of course, by the Rockefellers – gave specific types of rubber solely to the Germans, *leaving the Americans without it*. This agreement was maintained, even after the Pearl Harbor attack and America's entry into the war, despite the fact that American was running short of rubber by 1939.²²¹

Meanwhile, an agreement between du Pont and Dynamit in 1929 controlled the production of tetrazine, a substance for greatly improved ammunition primers. When WWII

²¹⁹ Higham, *Trading With the Enemy*, p. 167.

²²⁰ Shirer, *The Rise and Fall of the Third Reich*, p. 878.

²²¹ Higham, *Trading with the Enemy*, p. 36.

began, Remington (controlled by du Pont) received huge British ammunition orders. Because of a clause in the agreement with I.G Farben, the British received an inferior cartridge lacking tetrazine.²²²

FDR'S CONTINUING PROBLEMS

In November 1940, FDR declared National Bible Week. The National Bible Association organized the celebrations and the event has continued ever since. The NBA is rooted in the National Committee for Religious Recovery, founded in 1940 by New York business interests. In 1941, the National Committee changed its name to that of The Laymen's National Committee.

The first chairman of the National Committee for Religious Recovery was Lambert Fairchild. His words describe the agenda of the National Committee best: "For God and Country you're going to see religion and business formed into a solid phalanx. Let no rabble-rousing communist tell you anything else, you security-holders who want security for your holdings."

WILD BILL AND ALLEN

Wild Bill Donovan, who will be the head of the Office of Strategic Services in 1942, met Allen Dulles in 1940. Donovan was still working as Sullivan & Cromwell lawyer at the time. The two men discussed Wendell Wilkie's nomination, but Donovan advised him that he was sure Roosevelt would be reelected. "With an open grin on his face, he [Donovan] pointed out that Wilkie's nomination would considerably simplify America's situation with regard to the war in Europe. Since both candidates shared a common viewpoint and advocated a similar policy, it was now all but certain that the incumbent President would be confirmed in the White House for a third term. The inevitable will follow. He knew the way Franklin D. Roosevelt's mind was working, and he saw the way the world political situation was developing. One way or another, by deliberate intervention, or by some sort of incident too grave to be overlooked, the United States was going to be involved in the war."²²³

This is an intriguing comment, given what we now know about the Pearl Harbor attack and Franklin Roosevelt's foreknowledge. This meeting between Donovan and Dulles suggests that the former was in the loop and making preparations. For Donovan, this was a tremendous opportunity, and he no doubt explained in detail to Dulles the extent of that opportunity.

PREPARATIONS FOR WAR

In July of 1941, the United States Navy approached American Bosch on behalf of Caterpillar in order to manufacture diesel equipment. At this point, it had become clear that the U.S. could enter the war. American Bosch responded that although it was willing to modify its own exclusive rights, the rights of the *corporation* rights indivisible and thus it is unable to grant the request. In other words, the head of the company responded although he personally wouldn't mind helping out, the corporation could not break any contracts it had entered into – ones that promised exclusivity to the enemy.

On July 15th, a report from U.S. Military Intelligence to the War Department described the movement of oil from Aruba to the Canary Islands by Standard Oil. The official report indicated that Standard Oil is "diverting about 20 percent of this fuel oil to the present German

²²² Ambruster, *Treason's Peace*, p. 60-61.

²²³ Mosley, *Dulles*, p. 108.

Government. About six of the ships operating on this route are reputed to be manned mainly by Nazi officers... The informant also stated that the Standard Oil Company has not lost any ships to date by torpedoing as have the other American companies whose ships operate to other ports.”²²⁴ Then, on October 28, Cordell Hull sent a letter to the U.S. Treasury Department, care of Edward S. Foley, Jr, because Robert Morgenthau was on vacation. The letter asked whether Standard Oil could continue to have dealings with names that appeared on a blacklist of Nazi collaborators. This was in order to maintain Standard Oil’s prior contracts and commitment to increasing its own profits. “Incredibly, he even asked whether Standard Oil might, through its subsidiary, Standard Oil of Brazil, sell petroleum to Nazi Condor, largely through Aruba.” Foley wrote back with an answer of ‘no’ – **except** as ‘defined’ by executive order 8389. In other words, he left the door open for Standard Oil to proceed – which they promptly did.²²⁵

PEARL HARBOR

December 7, 1941: The Japanese bomb Pearl Harbor. Franklin Roosevelt was well aware of the attack in advance. After nearly sixty years of speculation and argument, author Robert Stinnett proves the case, having obtained the relevant documents via Freedom of Information Act requests. The essential proof lies in the fact that the Americans had cracked the Japanese codes long before the attack occurred, and had indeed pursued a policy that virtually guaranteed such an attack would be undertaken. Stinnett reveals that intelligence officers including Theodore Wilkinson (FDR’s Director of Naval Intelligence) and Edwin Layton (intelligence officer to the Pacific Fleet) gave *false testimony* to the 1945 Pearl Harbor investigation. It was, in short, a conspiracy, and one agreed upon at the highest levels.²²⁶

Recalling the remarks of Wild Bill Donovan to Allen Dulles, that he knew “Roosevelt’s thinking” on this matter, could he have been obliquely referring to such an operation? Without speculating, it certainly seems suggestive that Donovan knew at least that FDR would not be bothered by ethical niceties in pursuing American involvement in the war. For more on the Pearl Harbor attack, please see Stinnett’s *Day of Deceit*, which includes copies all of the relevant documents. Interestingly, the book was given a cursory and dismissive review by Philip Zelikow in *Foreign Affairs Magazine* in the March/April 2000 issue. Interesting because 9/11 would occur a year and a half later, and Zelikow would be placed at the head of the 9/11 Commission, designed to investigate the occurrence. He had revealed his mindset about the government allowing attacks to happen just the year before.²²⁷

In March 1942, Thurman Arnold brought information about corporate misdealings to the attention of Harry Truman, who is holding hearings about Standard Oil’s business practices during the war. “[Arnold] produced documents showing that Standard and Farben had literally carved up the world’s oil markets, with oil and chemical monopolies established all over the map... Leaving the Senate chambers on March 28, surrounded by lots of reporters and photographers, Truman was asked, ‘Is this treason?’ He replied in the affirmative.”²²⁸ However, nothing would come of it. No one would be indicted; Roosevelt stepped in and closed the hearings.

Now FDR had his reasons – and one might even argue that it was necessary, given the

²²⁴ Higham, *Trading With the Enemy*, p. 40-41.

²²⁵ *Ibid*, p. 41.

²²⁶ Robert Stinnett, *Day of Deceit*, p. 110.

²²⁷ <http://www.foreignaffairs.com/articles/55671/philip-zelikow/day-of-deceit-the-truth-about-fdr-and-pearl-harbor>

²²⁸ Higham, *Trading With the Enemy*, p. 47.

public mind about the war. He might have had to make several deals with several devils to get American intervention in. But that is an argument for another time.

One of those investigated, a man named William Farish – the President of the Standard Oil Company in New Jersey – pled *nolo contendere* on March 25th, 1942 to conspiring with Nazi Germany. He remained a family friend of the Bushes, and the Farish-Bush link would later resurface in a mild scandal that occurred in 1988.

SEIZURES

American Bosch was confiscated under the Alien Property Custodian Act in 1942. This was part of a continuing string of seizures. Even in this instance, however, John Foster Dulles proved instrumental in assisting the clients of his employer. Bosch, owned by I.G. Farben, had an association with SKF, an enormous ball-bearings trust. Dulles, who at this time was also serving as the chief attorney for Bosch General Aniline and Film, created a voting trust, naming himself and a fellow attorney as trustees. The subterfuge worked to delay the company's seizure until May of 1942, *after* the United States had already entered the war.²²⁹

Additionally, there is at least one report that Standard Oil intended to resume its cartel link with I.G. following WWII. Walter Winchell states that a news broadcaster for CBS had been effectively silenced when reporting on both the Truman and Boone Committees. This broadcaster had included in his script reports that Standard intended to resume ties with I.G. when the war ended. A CBS censor killed the item, and was reported to have told the broadcaster to "go easy on Standard, you know we carry plenty of their business."²³⁰

Further confirmation of these dealings comes from a 1942 Treasury report on espionage and saboteurs, which states:

In the twenty-year period between 1919-1939, German interests succeeded in organizing within the United States another industrial and commercial network centered in the chemical industry. It is unnecessary to point out that these business enterprises constituted a base of operations to carry out the Axis plans to control production, to hold markets in this Hemisphere, to support fifth column movements, and to mold our postwar economy according to Axis plans. This problem with which we are now faced is more difficult than, although somewhat similar to, the problem faced by us in 1917. The background is vastly different from that which existed in 1917...Certain individuals who occupied a dominant place in business enterprises owed all of their success to their business contacts in the past with I.G. Farben.

In October 1942, ten months after entering World War II, America prepared its first assault against Nazi military forces. Prescott Bush at the time was managing partner of Brown Brothers Harriman. His 18-year-old son George, the future U.S. President, had just begun training to become a naval pilot. Bush's entry into the war may well have been designed to take some of the heat off the company, which had been appearing in various newspapers in a negative light. In addition, the government was beginning to take action. On October 20, 1942, the U.S. government ordered the seizure of Nazi German banking operations in New York City that were being conducted by Prescott Bush. One of these operations was Union Banking.

²²⁹ Ibid, p. 118.

²³⁰ Ambruster, *Treason's Peace*, p. 322-323.

With regard to these dealings, Assistant Attorney General Thurman Arnold stated: "The secret influence of the international cartel is going to be thrown in favor of peace without victory when the first opportunity arises – just as it was thrown in that direction at Munich.

The small group of American businessmen who are parties to these international rings are not unpatriotic, but they still think of war as a temporary recess from business as usual with a strong Germany. They expect to begin the game all over again after the war.

It is significant that all these cartel leaders still talk and think as if the war would end in a stalemate, and that therefore, they must be in a position to continue their arrangements with a strong Germany after the war. This is not shown by their speeches, but by actual documents and memoranda of business policy which we find in their files."²³¹

NOTHING DONE

When the war ended with Harry Truman's dropping of atomic bombs on Hiroshima and (most indefensibly) Nagasaki, the U.S. government held hearings to ascertain what had happened between Nazi Germany and the American corporations. However, nothing was ultimately done. Franklin Roosevelt did not appear eager to delve deeply into the issues involved, and by and large neither did Congress. After all, these companies would still have to be dealt with following the war, in spurring on American industry. American politicians disagreed about what to do with Germany – should be made into a strict agrarian economy, or would that simply invite Communist cooperation? Harry Truman was one of those who thought so. However, in all these arguments was lost the key issue of going after and imprisoning those responsible. Not only was this not done, but outrages occurred; for example, the American government paid reparations back to the Ford Motor Company *for damage done to factories accidentally bombed while producing materiel for the German war effort.*

In attempting to give a broad overview to this subject, I have skimmed over some of the key individuals such as Robert Morgenthau and Russell Nixon, who were involved in exposing the connections between American corporations and the Nazis. There are excellent resources in regard to this elsewhere and some of them can be found in the works cited in this article.

One thing to note about the collaboration during World War II is that it showed how easily corporations could be made to support and finance anti-democratic movements. Among the great failures of the proponents of unregulated capitalism is precisely this aspect. The corporation has a definite goal in mind, the maximization of profit, which does not have anything to do with generalized freedom. Although this period of the thirties and forties is instructive in this respect, it is far from unique; indeed, whether in 19th century or the 21st, corporations have always behaved in much the same manner.

²³¹ Assistant Attorney General Thurmond Arnold, speech before the Illinois Bar Association, June 3, 1942.

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