

How China Lobby Shaped America

Exclusive: A prototype of the modern foreign lobby in Washington was the China Lobby, bribing and bending U.S. politicians to serve the will of the Nationalists who fled to Taiwan and helped fuel McCarthyism, reports Jonathan Marshall.

By Jonathan Marshall (This is the second in a series on foreign lobbies.)

One of the first big foreign lobbies to blossom after passage of the 1938 Foreign Agents Registration Act was the infamous China Lobby, defined by William Safire in his political dictionary as an “attack phrase used against those urging support of Chiang Kai-shek against Mao Zedong, and later pressing for aid to Chiang on Taiwan.”

Testifying to the China Lobby’s seminal importance – actually what would more accurately be called the Taiwan Lobby – Safire credited it with inspiring the term “Israel lobby” to describe the equally formidable support network for another equally tiny country.

The China Lobby demanded – and won – billions of dollars in military and economic aid for Chiang’s dictatorship, first on mainland China and then on Taiwan. Exploiting the wave of anti-Communism during the McCarthy era, it also ruthlessly suppressed any criticism of Nationalist China’s shortcomings or any moves toward diplomatic recognition of the People’s Republic of China.

Some of its American operatives were opportunistic lawyer-lobbyists like Thomas Corcoran, a former New Dealer who turned his talents to money-making intrigues. Some were anti-communist militants like Gen. Claire Chennault of Flying Tigers fame, who founded a CIA-controlled airline (Civil Air Transport) with Corcoran’s help to support Chiang’s armies and run covert operations in the Far East.

Many were partisan Republicans who rejected criticism of Chiang’s corrupt regime and attacked the Truman administration for not sending enough financial and military aid to prevent the “fall of China.”

In 1949, two members of Congress called for an investigation of the lobby’s “brazen power.” Rep. Mike Mansfield, a Montana Democrat who would later become Senate majority leader, accused Nationalist Chinese officials – who had fled the mainland for Taiwan that year in the wake of the communist revolution – of diverting U.S. aid to fund political propaganda in the United States.

Ironically, a timely dispensation of \$800,000 from Nationalist Chinese officials in Taiwan to their New York office financed a successful campaign to squelch

that proposed investigation.

A few intrepid reporters worked hard to fill the information gap. In April 1952, *Reporter* magazine ran two successive issues devoted to exposing the China Lobby.

“While what is left of Chiang’s army is rusting in Formosa [another name for Taiwan], the Lobby’s operators are employing all their mental and financial resources in the United States,” observed editor Max Ascoli. “In the last couple of years, they have had remarkable success. Once more the big lie has proved to be unanswerable and undebatable.”

Commenting on the China Lobby’s ruthless methods, including McCarthyite demagoguery and the purge of liberal China experts from government, the magazine called it “the nearest thing to an effective Communist Party our country has ever had. There is no other outfit to which the China Lobby can be compared, with its hard core of fanatical, full-time operators, its underground, its legion of naïve, misled fellow travelers, its front organizations, and its foreign officials, in Washington with diplomatic immunity, who dutifully report to central headquarters.”

CIA Support

The *Reporter* series likely had the support of officials in the Truman administration, and was substantially reported by a veteran U.S. intelligence officer who went to work for *Time* magazine after serving as the CIA’s first station chief in Paris.

His co-author gave an advance briefing to the assistant to the director of the CIA in March 1952, offering up one explosive detail kept out of the published version: “the Nationalist government pumped more than \$2,000,000 into the Republican campaign in 1948.”

The success of Republicans in the 1952 elections, however, forced the CIA more into line with the China Lobby. Pro-Taiwan organizations like the Committee to Defend America by Aiding Anti-Communist China and the Committee on National Affairs included among their officers or directors notable front-men for CIA propaganda operations, such as William Donovan, former head of the Office of Strategic Services, Jay Lovestone, a CIA-funded labor organizer, and Cord Meyer, who took charge of the Agency’s International Organizations Division in 1954.

The CIA also covertly funded anti-communist organizations such as the Free Asia Committee and Aid Refugee Chinese Intellectuals (ARCI), which reinforced the China Lobby’s messages.

The executive chairman of ARCI, Christopher Emmet, lauded its role in “making

Americans more aware of the Chinese anti-Communist cause. . . . The reason is that the humanitarian appeal for relief incidentally permits giving all the political facts about persecution, etc. . . . It does not invite argument and attack as in the case of direct political propaganda.”

The first academic study of this pressure campaign finally appeared – ever so briefly – in 1960. In the introduction to his *The China Lobby in American Politics*, political scientist Ross Koen made the blockbuster allegation that “There is . . . considerable evidence that a number of [Nationalist] Chinese officials engaged in the illegal smuggling of narcotics into the United States with the full knowledge and connivance of the Nationalist Chinese Government. The evidence indicates that several prominent Americans have participated in and profited from these transactions. It indicates further that the narcotics business has been an important factor in the activities and permutations of the China Lobby.”

An energetic publicist for the China Lobby got hold of advance proofs of the book and shared them with allies in the Eisenhower administration. Together they brought heavy legal and political pressure to bear on the publisher, Macmillan, to withdraw the book. The book was not reissued until 1974, by Harper & Row.

Richard Nixon and the China Lobby

Through its hard-hitting propaganda campaigns, the China Lobby prevented U.S. diplomatic recognition of the People’s Republic of China – the most populous country on Earth – for more than two decades. Its stranglehold on U.S. foreign policy was not broken until 1972, when President Nixon finally opened talks with Beijing to help end the Vietnam War.

Ironically, Nixon had long been one of the China Lobby’s most ardent supporters. He won election to the Senate from California in 1950 in part by exploiting popular dissatisfaction with the Truman administration’s “loss” of China and the subsequent bloody war in Korea.

Washington columnist Drew Pearson later published the fact that Nixon took a large cash payoff from one of Chiang’s nephews to help fund his successful 1950 campaign against the liberal Democratic incumbent, Helen Gahagan Douglas. Pearson also learned – but did not publish – the fact that a Nationalist Chinese agent supplied \$500,000 in cash to fund the campaign expenses of other Republican senators nationwide.

Years later, during the 1968 presidential election campaign, Nixon used the services of China Lobby notable Anna Chennault – widow of the late American general Claire Chennault and a prodigious Republican fundraiser in her own right

– as his private emissary to the president of South Vietnam.

Through her, Nixon secretly blocked President Johnson's proposal for peace talks between North and South Vietnam, in order to slow momentum for Hubert Humphrey's campaign. Johnson, learning of the Nixon/Chennault intervention through top-secret intelligence sources, said nothing publicly but complained bitterly to Senate Republican Leader Everett Dirksen, "This is treason."

The China Lobby's legacy

That same year, the China Lobby inspired a parallel lobby supporting the military dictatorship of South Korea, a close anti-communist ally of Taiwan. In 1968, Richard Hanna, a Taiwan supporter and Democratic congressman from Orange County – Nixon's home ground – "instructed" South Korea's prime minister "on how to lobby the U.S. Congress effectively by emulating the successful models set by Israel and Taiwan."

Following his advice, a South Korean businessman, working with the Korean Central Intelligence Agency, began recycling commissions from U.S. rice sales to Korea to pay for lavish entertainment and outright bribes to "congressmen, cabinet members, and other influential persons" in Washington, including Defense Secretary Melvin Laird, during the Nixon years.

In late 1970, a CIA "bug" in the office of South Korea's president implicated him in a scheme to spend upward of a million dollars a year to pay off dozens of U.S. officials, but the Nixon administration took no action.

In 1973, one member of Congress who later escaped prosecution for bribery because of the statute of limitations, wrote South Korea's president a letter of appreciation, commenting, "you have an extremely competent team working on your behalf and making things come out right for your country. Nothing, as you know, happens without a great deal of work and support."

The South Korean businessman who disbursed the bribes eventually testified before Congress in 1978, a decade after the "Koreagate" conspiracy began, under a grant of full immunity. Although he implicated some 30 members of Congress, only about 10 resigned or faced criminal charges.

Taiwan, meanwhile, continued to maintain a formidable lobby in Washington during the 1970s, despite President Nixon's betrayal in recognizing mainland China. The lobby continued to win the hearts and minds of conservative Republicans, including Ronald Reagan. Among other vehicles, it used the services of the public relations firm Deaver and Hannaford, which also represented the military dictatorships of Argentina and Guatemala.

Partner Michael Deaver, a former aide to Governor Reagan, became President Reagan's Deputy Chief of Staff in 1981. Much to Beijing's displeasure, U.S. arms sales to Taiwan proceeded to soar, from \$312 million in 1981 to a high of \$709 million in 1985. An appreciative Taiwan, along with South Korea, provided covert support for the anti-Communist "Contras" fighting the Sandinista government of Nicaragua during these years.

In 1987, Deaver was convicted of perjuring himself before Congress and a federal grand jury regarding his use of the White House for lobbying activities.

The China Lobby lives on, with diminished clout, in today's Republican Party. Its 2016 platform called for increased arms sales to Taiwan, reinstating it in international organizations, and a committing to its defense in case of a military showdown with China.

During the presidential campaign, candidate Donald Trump named several strong supporters of the island to his transition team. In December 2016, President-elect Trump held his notorious call with Taiwan's leader to celebrate their respective elections and laud the "close economic, political, and security ties" between the United States and Taiwan.

Since then, of course, President Trump has reversed himself on this as on so many other policies, burning bridges with Taiwan to cultivate President Xi Jinping of China. But don't count Taiwan out. If Xi fails to deliver on North Korea, or if U.S.-China military confrontations rise anew in the South China Sea, the small island that once commanded an army of U.S. supporters may roar yet again in Washington.

Next: The Israel Lobby

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Picking a War with China

As Official Washington obsesses about Russia, the Obama administration is mounting a similar strategy against China, surrounding it and then accusing it of "aggression," as John Pilger explains.

By John Pilger

When I first went to Hiroshima in 1967, the shadow on the steps was still there. It was an almost perfect impression of a human being at ease: legs splayed, back bent, one hand by her side as she sat waiting for a bank to open. At a quarter past eight on the morning of Aug. 6, 1945, she and her silhouette were burned into the granite. I stared at the shadow for an hour or more, unforgettably. When I returned many years later, it was gone: taken away, “disappeared”, a political embarrassment.

I have spent two years making a documentary film, *The Coming War on China*, in which the evidence and witnesses warn that nuclear war is no longer a shadow, but a contingency. The greatest build-up of American-led military forces since the Second World War is well under way. They are in the northern hemisphere, on the western borders of Russia, and in Asia and the Pacific, confronting China.

The great danger this beckons is not news, or it is buried and distorted: a drumbeat of mainstream fake news that echoes the psychopathic fear embedded in public consciousness during much of the Twentieth Century.

Like the renewal of post-Soviet Russia, the rise of China as an economic power is declared an “existential threat” to the divine right of the United States to rule and dominate human affairs.

To counter this, in 2011 President Obama announced a “pivot to Asia”, which meant that almost two-thirds of U.S. naval forces would be transferred to Asia and the Pacific by 2020. Today, more than 400 American military bases encircle China with missiles, bombers, warships and, above all, nuclear weapons. From Australia north through the Pacific to Japan, Korea and across Eurasia to Afghanistan and India, the bases form, says one U.S. strategist, “the perfect noose.”

More Unthinkable Thinking

A study by the RAND Corporation – which, since Vietnam, has planned America’s wars – is entitled, *War with China: Thinking Through the Unthinkable*. Commissioned by the U.S. Army, the authors evoke the Cold War when RAND made notorious the catch cry of its chief strategist, Herman Kahn – “thinking the unthinkable”. Kahn’s book, *On Thermonuclear War*, elaborated a plan for a “winnable” nuclear war against the Soviet Union.

Today, his apocalyptic view is shared by those holding real power in the United States: the militarists and neoconservatives in the Executive Branch, the Pentagon, the intelligence and “national security” establishment and Congress.

The current Secretary of Defense, Ashley Carter, a verbose provocateur, says U.S. policy is to confront those “who see America’s dominance and want to take

that away from us”.

For all the attempts to detect a departure in foreign policy, this is almost certainly the view of Donald Trump, whose abuse of China during the election campaign included that of “rapist” of the American economy. On Dec. 2, in a direct provocation of China, President-elect Trump spoke to the President of Taiwan, which China considers a renegade province of the mainland. Armed with American missiles, Taiwan is an enduring flashpoint between Washington and Beijing.

“The United States,” wrote Amitai Etzioni, professor of international Affairs at George Washington University, “is preparing for a war with China, a momentous decision that so far has failed to receive a thorough review from elected officials, namely the White House and Congress.” This war would begin with a “blinding attack against Chinese anti-access facilities, including land and sea-based missile launchers ... satellite and anti-satellite weapons”.

The incalculable risk is that “deep inland strikes could be mistakenly perceived by the Chinese as pre-emptive attempts to take out its nuclear weapons, thus cornering them into ‘a terrible use-it-or-lose-it dilemma’ [that would] lead to nuclear war.”

In 2015, the Pentagon released its *Law of War Manual*. “The United States,” it says, “has not accepted a treaty rule that prohibits the use of nuclear weapons *per se*, and thus nuclear weapons are lawful weapons for the United States.”

In Search of an Enemy

In China, a strategist told me, “We are not your enemy, but if you [in the West] decide we are, we must prepare without delay.”

China’s military and arsenal are small compared to America’s. However, “for the first time,” wrote Gregory Kulacki of the Union of Concerned Scientists, “China is discussing putting its nuclear missiles on high alert so that they can be launched quickly on warning of an attack. ... This would be a significant and dangerous change in Chinese policy. ... Indeed, the nuclear weapon policies of the United States are the most prominent external factor influencing Chinese advocates for raising the alert level of China’s nuclear forces.”

Professor Ted Postol was scientific adviser to the head of U.S. naval operations. An authority on nuclear weapons, he told me, “Everybody here wants to look like they’re tough. See I got to be tough ... I’m not afraid of doing anything military, I’m not afraid of threatening; I’m a hairy-chested gorilla. And we have gotten into a state, the United States has gotten into a situation, where there’s a lot of saber-rattling, and it’s really being orchestrated from

the top.”

I said, “This seems incredibly dangerous.”

“That’s an understatement,” Postol replied.

In 2015, in considerable secrecy, the U.S. staged its biggest single military exercise since the Cold War. This was Talisman Sabre; an armada of ships and long-range bombers rehearsed an “Air-Sea Battle Concept for China” – ASB – blocking sea lanes in the Straits of Malacca and cutting off China’s access to oil, gas and other raw materials from the Middle East and Africa.

It is such a provocation, and the fear of a U.S. Navy blockade, that has seen China feverishly building strategic airstrips on disputed reefs and islets in the Spratly Islands in the South China Sea. Last July, the United Nations Permanent Court of Arbitration ruled against China’s claim of sovereignty over these islands. Although the action was brought by the Philippines, it was presented by leading American and British lawyers and could be traced to U.S. Secretary of State Hillary Clinton.

In 2010, Clinton flew to Manila. She demanded that America’s former colony reopen the U.S. military bases closed down in the 1990s following a popular campaign against the violence they generated, especially against Filipino women. She declared China’s claim on the Spratly Islands – which lie more than 7,500 miles from the United States – a threat to U.S. “national security” and to “freedom of navigation.”

Handed millions of dollars in arms and military equipment, the then government of President Benigno Aquino broke off bilateral talks with China and signed a secretive Enhanced Defense Co-operation Agreement with the U.S. This established five rotating U.S. bases and restored a hated colonial provision that American forces and contractors were immune from Philippine law.

The election of Rodrigo Duterte in April has unnerved Washington.

Calling himself a socialist, Duterte declared, “In our relations with the world, the Philippines will pursue an independent foreign policy” and noted that the United States had not apologized for its colonial atrocities. “I will break up with America,” he said, and promised to expel U.S. troops. But the U.S. remains in the Philippines; and joint military exercises continue.

‘Information Dominance’

In 2014, under the rubric of “information dominance” – the jargon for media manipulation, or fake news, on which the Pentagon spends more than \$4 billion –

the Obama administration launched a propaganda campaign that cast China, the world's greatest trading nation, as a threat to "freedom of navigation."

CNN led the way, its "national security reporter" reporting excitedly from on board a U.S. Navy surveillance flight over the Spratlys. The BBC persuaded frightened Filipino pilots to fly a single-engine Cessna over the disputed islands "to see how the Chinese would react." None of these reporters questioned why the Chinese were building airstrips off their own coastline, or why American military forces were massing on China's doorstep.

The designated chief propagandist is Admiral Harry Harris, the U.S. military commander in Asia and the Pacific. "My responsibilities," he told the *New York Times*, "cover Bollywood to Hollywood, from polar bears to penguins." Never was imperial domination described as pithily.

Harris is one of a brace of Pentagon admirals and generals briefing selected, malleable journalists and broadcasters, with the aim of justifying a threat as specious as that with which George W. Bush and Tony Blair justified the destruction of Iraq and much of the Middle East.

In Los Angeles in September, Admiral Harris declared he was "ready to confront a revanchist Russia and an assertive China ... If we have to fight tonight, I don't want it to be a fair fight. If it's a knife fight, I want to bring a gun. If it's a gun fight, I want to bring in the artillery ... and all our partners with their artillery."

These "partners" include South Korea, the launch pad for the Pentagon's Terminal High Altitude Air Defense system, known as THAAD, ostensibly aimed at North Korea. As Professor Postol points out, it targets China.

In Sydney, Australia, Admiral Harris called on China to "tear down its Great Wall in the South China Sea." The imagery was front-page news. Australia is America's most obsequious "partner"; its political elite, military, intelligence agencies and the media are integrated into what is known as the "alliance." Closing the Sydney Harbour Bridge for the motorcade of a visiting American government "dignitary" is not uncommon. The war criminal Dick Cheney was afforded this honor.

Although China is Australia's biggest trader, on which much of the national economy relies, "confronting China" is the diktat from Washington. The few political dissenters in Canberra risk McCarthyite smears in the Murdoch press.

"You in Australia are with us come what may," said one of the architects of the Vietnam War, McGeorge Bundy. One of the most important U.S. bases is Pine Gap near Alice Springs. Founded by the CIA, it spies on China and all of Asia, and

is a vital contributor to Washington's murderous war by drone in the Middle East.

In October, Richard Marles, the defense spokesman of the main Australian opposition party, the Labor Party, demanded that "operational decisions" in provocative acts against China be left to military commanders in the South China Sea. In other words, a decision that could mean war with a nuclear power should not be taken by an elected leader or a parliament but by an admiral or a general.

Pentagon Ascendance

This is the Pentagon line, a historic departure for any state calling itself a democracy. The ascendancy of the Pentagon in Washington – which Daniel Ellsberg has called a silent coup – is reflected in the record \$5 trillion America has spent on aggressive wars since 9/11, according to a study by Brown University. The million dead in Iraq and the flight of 12 million refugees from at least four countries are the consequence.

The Japanese island of Okinawa has 32 military installations, from which Korea, Vietnam, Cambodia, Afghanistan and Iraq have been attacked by the United States. Today, the principal target is China, with whom Okinawans have close cultural and trade ties.

There are military aircraft constantly in the sky over Okinawa; they sometimes crash into homes and schools. People cannot sleep, teachers cannot teach. Wherever they go in their own country, they are fenced in and told to keep out.

A popular Okinawan anti-base movement has been growing since a 12-year-old girl was gang-raped by U.S. troops in 1995. It was one of hundreds of such crimes, many of them never prosecuted. Barely acknowledged in the wider world, the resistance has seen the election of Japan's first anti-base governor, Takeshi Onaga, and presented an unfamiliar hurdle to the Tokyo government and the ultra-nationalist prime minister Shinzo Abe's plans to repeal Japan's "peace constitution."

The resistance includes Fumiko Shimabukuro, aged 87, a survivor of the Second World War when a quarter of Okinawans died in the American invasion. Fumiko and hundreds of others took refuge in beautiful Henoko Bay, which she is now fighting to save. The U.S. wants to destroy the bay in order to extend runways for its bombers.

"We have a choice," she said, "silence or life." As we gathered peacefully outside the U.S. base, Camp Schwab, giant Sea Stallion helicopters hovered over us for no reason other than to intimidate.

Across the East China Sea lies the Korean island of Jeju, a semi-tropical sanctuary and World Heritage Site declared "an island of world peace." On this island of world peace has been built one of the most provocative military bases in the world, less than 400 miles from Shanghai. The fishing village of Gangjeong is dominated by a South Korean naval base purpose-built for U.S. aircraft carriers, nuclear submarines and destroyers equipped with the Aegis missile system, aimed at China.

A people's resistance to these war preparations has been a presence on Jeju for almost a decade. Every day, often twice a day, villagers, Catholic priests and supporters from all over the world stage a religious mass that blocks the gates of the base. In a country where political demonstrations are often banned, unlike powerful religions, the tactic has produced an inspiring spectacle.

One of the leaders, Father Mun Jeong-hyeon, told me, "I sing four songs every day at the base, regardless of the weather. I sing in typhoons – no exception. To build this base, they destroyed the environment, and the life of the villagers, and we should be a witness to that. They want to rule the Pacific. They want to make China isolated in the world. They want to be emperor of the world."

Very Modern China

I flew from Jeju to Shanghai for the first time in more than a generation. When I was last in China, the loudest noise I remember was the tinkling of bicycle bells; Mao Zedong had recently died, and the cities seemed dark places, in which foreboding and expectation competed. Within a few years, Deng Xiopeng, the "man who changed China," was the "paramount leader." Nothing prepared me for the astonishing changes today.

China presents exquisite ironies, not least the house in Shanghai where Mao and his comrades secretly founded the Communist Party of China in 1921. Today, it stands in the heart of a very capitalist shipping district; you walk out of this communist shrine with your Little Red Book and your plastic bust of Mao into the embrace of Starbucks, Apple, Cartier, Prada.

Would Mao be shocked? I doubt it. Five years before his great revolution in 1949, he sent this secret message to Washington. "China must industrialize." he wrote, "This can only be done by free enterprise. Chinese and American interests fit together, economically and politically. America need not fear that we will not be co-operative. We cannot risk any conflict."

Mao offered to meet Franklin Roosevelt in the White House, and his successor Harry Truman, and his successor Dwight Eisenhower. He was rebuffed, or willfully

ignored. The opportunity that might have changed contemporary history, prevented wars in Asia and saved countless lives was lost because the truth of these overtures was denied in 1950s Washington “when the catatonic Cold War trance,” wrote the critic James Naremore, “held our country in its rigid grip.”

The fake mainstream news that once again presents China as a threat is of the same mentality.

‘New Silk Road’

The world is inexorably shifting east; but the astonishing vision of Eurasia from China is barely understood in the West. The “New Silk Road” is a ribbon of trade, ports, pipelines and high-speed trains all the way to Europe. The world’s leader in rail technology, China is negotiating with 28 countries for routes on which trains will reach up to 400 kms an hour. This opening to the world has the approval of much of humanity and, along the way, is uniting China and Russia.

“I believe in American exceptionalism with every fiber of my being,” said Barack Obama, evoking the fetishism of the 1930s. This modern cult of superiority is Americanism, the world’s dominant predator. Under the liberal Obama, winner of the Nobel Peace Prize, nuclear warhead spending has risen higher than under any president since the end of the Cold War. A mini-nuclear weapon is planned. Known as the B61 Model 12, it will mean, says General James Cartwright, former vice-chairman of the Joint Chiefs of Staff, that “going smaller [makes its use] more thinkable”.

In September, the Atlantic Council, a mainstream U.S. geopolitical think tank, published a report that predicted a Hobbesian world “marked by the breakdown of order, violent extremism [and] an era of perpetual war.” The new enemies were a “resurgent” Russia and an “increasingly aggressive” China. Only heroic America can save us.

There is a demented quality about this war mongering. It is as if the “American Century” – proclaimed in 1941 by the American imperialist Henry Luce, owner of *Time* magazine – has ended without notice and no one has had the courage to tell the emperor to take his guns and go home.

John Pilger’s film, “The Coming War on China,” is released in UK cinemas and will be broadcast on the ITV Network on Dec. 6 at 10.40 pm. RT Documentaries will broadcast “The Coming War on China” worldwide on Dec. 9,10 & 11.

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