

# WAR RESPONSIBILITY OF THE CHINESE COMMUNIST PARTY, THE USSR AND COMMUNISM

## How the US became entangled in the Comintern's master plan to communize Asia

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### Shock waves from Venona files continue to reverberate

The Venona files have unmasked more than a few Soviet spies who infiltrated the US government during the World War II era. With the disclosure of the transcripts, what has for decades been a suspicion is on the point of becoming a certainty: the Roosevelt administration was collaborating with the Soviet Union and the CCP (Chinese Communist Party). A retrospective debate is in progress, and with it a reexamination of the historical view of that period; both have accelerated rapidly in recent years.

The term “Venona files” is used to describe code messages exchanged between Soviet spies in the US and Soviet Intelligence Headquarters that were intercepted and decrypted by US Signals Intelligence Service personnel. The NSA (National Security Agency) released the transcripts to the public in 1995.

As more of these messages were disclosed and analyzed, they revealed evidence likely to prove conclusively that at least 200 Soviet spies (or sympathizers) worked for the US government as civil servants. Their members included **Alger Hiss** ① (hereinafter I shall place numbers after the names of influential individuals, and use boldface font to indicate communists or communist sympathizers).<sup>1</sup>

Suspicious that there were Soviet spies in the Roosevelt administration date back more than 60 years. In 1948 *Time* magazine editor Whittaker Chambers, testifying before the House Committee on Un-American Activities, accused **Alger Hiss** ① of spying for the USSR. In 1950 Senator Joseph McCarthy announced that he had acquired a list of communists who had infiltrated the US Department of State. It included the names of several Army and State Department officials who espoused pro-communist policy. McCarthy was particularly relentless in his attacks on Secretary of State George Marshall ② and **Owen Lattimore** ③, who had been an advisor to Chiang Kai-shek's government. McCarthy accused both men of being communist sympathizers, and of supporting the formation of a Chinese Communist government.

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<sup>1</sup> John Earl Haynes and Harvey Klehr, *Venona: Decoding Soviet Espionage in America* (New Haven: Yale University Press, 1999).

Marshall and Lattimore had certainly made comments that implied their approval of the Soviet and Chinese communist parties. But no unassailable proof of their being Soviet spies could be found. Moreover, after several men accused of espionage committed suicide, the liberal media launched attacks on conservatives. McCarthy and his cronies were accused of engaging in a witch hunt, denounced for suppressing free speech without just cause, and held responsible for the suicides' deaths.

Subsequently, it became taboo to criticize any utterances complimentary to the USSR or the CCP. In postwar America, liberals who felt an affinity for the USSR were in control of the media; conservatives kept a low profile.<sup>2</sup>

For that very reason, the shock waves that the Venona files sent through the American intellectual community were particularly strong. Once liberal scholars and media representatives insisted that someone like **Alger Hiss** ①, who was involved in the establishment of the United Nations, could not possibly be a Soviet spy. Today they are silent.

The Yeltsin government, which emerged in Russia in 1991 after the collapse of the USSR, disclosed some Comintern and KGB documents from the Soviet era. The release of such documents has prompted conservatives, for the first time in 60 years, to maintain that there were spies in Roosevelt's Democratic administration who advocated policies favorable to the USSR and the CCP. One example is conservative commentator Ann Coulter, who cites the Venona files in her book *Treason: Liberal Treachery from the Cold War to the War on Terrorism*.<sup>3</sup>

Perhaps Coulter's book had some influence on former President George W. Bush, who in a speech given at the American Conservative Union's 40<sup>th</sup> anniversary gala in May 2004, said that the "conservative movement has become the dominant intellectual force in American politics, on the strength of writers and thinkers like Whittaker Chambers," the *Time* magazine editor who accused **Alger Hiss** ① and others of being spies.<sup>4</sup>

Then, on May 7, 2005 in a speech delivered in Latvia, Bush was extremely critical of the Yalta Agreement (with which **Hiss** ① was involved), calling it "one of the greatest wrongs of history."<sup>5</sup>

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<sup>2</sup> Lee Edwards, *A Brief History of The Modern American Conservative Movement* (The Heritage Foundation, 2004).

<sup>3</sup> Ann Coulter, *Treason: Liberal Treachery from the Cold War to the War on Terrorism* (New York: Three Rivers Press, 2003).

<sup>4</sup> George W. Bush, "Remarks to the American Conservative Union 40th Anniversary Gala, May 13, 2004," <http://www.gpo.gov/fdsys/pkg/WCPD-2004-05-17/pdf/WCPD-2004-05-17-Pg885.pdf>.

<sup>5</sup> "60 Years Later, Debating Yalta All Over Again," *New York Times*, 16 May 2005.

The Yalta Agreement was concluded in February 1945 at a conference attended by US President Franklin D. Roosevelt, British Prime Minister Winston Churchill, and Soviet Premier **Joseph Stalin**, held at Yalta, Soviet territory. In exchange for the USSR's concessions regarding the operation of the United Nations, the Allies recognized Soviet supremacy in Poland and the Baltic states (Estonia, Latvia and Lithuania). An additional, secret agreement was concluded, according to which the USSR was promised Japanese interests in Manchuria, as well as Karafuto (South Sakhalin) and the Kuril Islands as rewards for entering the war against Japan.

The crises that occurred in chain reaction after World War II ended — the suffering of the Eastern European nations under Soviet rule, the Soviet occupation of Manchuria and the Kuril Islands, the establishment of a communist government in China, and the division of Korea — all can be traced to the Yalta Agreement.

But now we have George W. Bush, president of one of the nations party to that agreement, criticizing the point of departure for the “Yalta framework,” as the postwar world order came to be known, head on. Vladimir Putin's response appeared in the May 5, 2007 edition of the French daily *Le Figaro*. The Russian president defended the agreement, saying that the heads of state of the US, Great Britain and the USSR formed a coalition that strove to prevent the revival of Nazism and to create an international framework that would protect the world from catastrophe, adding that the UN was established to achieve those goals. Putin's remarks caused a sensation in the international political arena.

### **Proliferation of websites reexamining history**

In the US, conservatives welcomed President Bush's statement. Phyllis Schlafly, an antifeminist leader, wrote a paper entitled “Bush Buries the Shame of Yalta.” Some excerpts follow.

Thank you, President George W. Bush, for correcting history and making a long overdue apology for one of President Franklin D. Roosevelt's tragic mistakes. Speaking in Latvia on May 7, Bush repudiated “the agreement at Yalta” by which powerful governments negotiated away the freedom of small nations.

Bush accurately blamed Yalta for “the captivity of millions in Central and Eastern Europe” and said it “will be remembered as one of the greatest wrongs of history.”<sup>6</sup>

There has also been a sharp increase, over the past few years, in the number of websites citing the Venona files and denouncing intellectuals and high-ranking government officials who served in or were connected with the Roosevelt administration, which supported the USSR and the CCP.

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<sup>6</sup> <http://www.eagleforum.org/column/2005/may05/05-05-18.html>

One of the leading sites is Conservapedia, launched in November 2006. In addition to a list of individuals identified as spies in the Venona files and their profiles, it contains a list of known Soviet spies, as well as the results of recent research on the transcripts.

Furthermore, in contrast with the historical view that prevailed at the Tokyo Trials and thereafter, Conservapedia offers the opinion that Soviet spies within Roosevelt's administration caused the war between the US and Japan.<sup>7</sup> For those of us who wish to be rid of the conventional mindset, this is welcome news indeed.

There was, however, someone who was aware, decades ago, that Soviet spies were the clandestine architects of the anti-Japanese movement in the US. Strange though it may seem, that someone was Wakasugi Kaname, a member of the Foreign Ministry staff and consul general of Japan in New York. Between 1938 and 1940 Wakasugi prepared frequent, detailed reports about anti-Japanese activities in the US for the Ministry.

Most of those reports were treated as confidential documents at that time. The ministry began disclosing them to the Japan Center for Asian Historical Records in 2002. Today anyone can read them online at <http://www.jacar.go.jp/>, the Center's website.

A comparison of Wakasugi's reports with other documents, such as the Venona files and Comintern documents, offers a partial glimpse at Soviet and Comintern operations in the US. I shall now reconstruct those operations with the aid of the latest research on the subject. (The progression of USCPA "**OPERATION TROJAN HORSE**" over time is summarized on page 16 and 17.)

### **Phase 1: Establishment of the CPUSA**

In 1919 **Vladimir Lenin**, first head of the Soviet state, founded the Comintern with an eye toward communizing the entire world. To achieve his goal, he needed to overthrow or otherwise destroy the governments of all the world's capitalist nations, and replace them with one-party dictatorships. **Lenin** advocated using defeat in war to facilitate revolution, a strategy that involved fomenting conflicts between capitalist nations culminating in war. Communists were instructed to instigate wars — losing wars — in their own countries. They were then to take advantage of post-defeat chaos to seize the reins of power.

In other words, to effect a communist revolution, communists would provoke tension and then war between nations, and then work to ensure their own nation's defeat. It is hard to imagine a more abhorrent proposition. One of the scenarios pitted Japan (which had already fought and won the Russo-Japanese War) against the US, the world's largest capitalist state, was to assume the other. One of the most important missions for the Comintern was promoting conflict and then war between those two key capitalist nations.

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<sup>7</sup> [http://conservapedia.com/Harry\\_Dexter\\_White](http://conservapedia.com/Harry_Dexter_White)

And in 1920 **Lenin** did indeed urge his followers to fan the flames of conflict between the US and Japan. The ultimate goal was to advance the worldwide communist revolution.

To that end, the CPUSA (Communist Party USA), the American branch of the Comintern, was established.

## **Phase 2: Build a Popular Front**

In 1931 the Manchurian Incident arose in Asia, and Russo-Japanese border clashes commenced.

In February 1932, feeling threatened by Japan's rise to power, the Comintern lambasted communists in foreign nations for their failure to understand "the intimate connection between the Japanese attack on Manchuria and the preparation of a great anti-Soviet war." It issued orders as follows:

Decisive mobilization of the masses is required, primarily against the transportation of weapons and military supplies, which travel to Japan along the tracks of every capitalist railway and from the ports of every capitalist country.<sup>8</sup>

Having received these instructions, CPUSA in 1933 launched a campaign to support the battle of the Chinese people against Japanese encroachment. It established an organization called American Friends of the Chinese People, whose objective was to use American power to suppress Japan. **Maxwell Stewart** ④, editor of the left-leaning magazine *The Nation*, was appointed chairman of the group. **Philip Jaffe** ⑤ was named editor of the group's organ, *China Today*. Both men denied any connection with the USSR at the time, but the Venona files reveal that they were Soviet spies.

In 1933 Hitler came to power in Germany. The USSR, feeling threatened by the rise to power of Japan and Germany, made a significant shift in its world strategy. At the Seventh World Congress held at Moscow in 1935, delegates were told to abandon the class struggle and the waging of a world communist revolution. Instead, they were to form broad alliances called popular fronts with American and British capitalists and socialists to combat the fascist nations (Japan and Germany).

Meanwhile, Roosevelt overcame the opposition of Congressman Hamilton Fish and other conservatives, and established diplomatic relations with the USSR in 1933.

In response to the Comintern's Popular Front policy and the establishment of diplomatic relations between the US and the USSR, the CPUSA formed an external group, the

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<sup>8</sup> Christopher Andrew, *KGB: The Inside Story of Its Foreign Operations from Lenin to Gorbachev* (New York: Harper Collins, 1990), p. 179.

American League Against War and Fascism. The group was aggressive in its attempts to infiltrate labor unions like the AFT (American Federation of Teachers) and the CIO (Congress of Industrial Organizations), which boasted a membership of several million. It also ingratiated itself with pacifist organizations like the American Committee for the Outlawry of War, chaired by philosopher and educational reformer John Dewey, as well as religious, sports and arts organizations.

The CPUSA's anti-fascist movement, devoid of even a hint of communism, won the support of liberal intellectuals and Christian groups who were concerned about the dangers of a rising Nazi Germany.

The leader of the Popular Front was **Earl Browder** ⑥, who was appointed general secretary of CPUSA on orders from the Comintern in 1934. Browder was a professional activist who had spent time in China, where he was involved with **Zhou Enlai** and **Richard Sorge**, a German who spied for the USSR. He also worked with **Agnes Smedley** ⑦, a well-known American writer, one of the proponents of the Nanking massacre argument (in Shanghai she contended that the "massacre" had claimed the lives of 200,000 civilians).

During her lifetime **Smedley** ⑦ denied any connection with the USSR. However, among Comintern documents later disclosed was a letter from **Browder** ⑥ to Comintern leader **Georgi Dimitrov** dated September 2, 1935. In it **Browder** ⑥ writes that **Smedley** ⑦ had asked for financial support from the Comintern, and that she was producing propaganda destined for foreign nations.<sup>9</sup>

### **Phase 3: Hijacking of the IPR**

The theoretical mainstay of the Popular Front was the IPR (Institute of Pacific Relations), at the time the largest think tank that concerned itself with Asian problems.

The IPR was established in 1925 at the YMCA Pan-Pacific Conference in Honolulu by directors of YMCAs (all members of the Christian clergy) in Asian and Pacific nations. Its founders wished to use the organization to improve relations among those nations, and to hasten the spread of Christianity.

With financial support from the Rockefeller Foundation, the IPR established councils in the US, Japan, China, Canada, Australia and other nations. The organization held conferences at a rate of one every two years. By the 1930s it was an internationally recognized think tank specializing in Asian problems.

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<sup>9</sup> Harvey Klehr *et al.*, *The Secret World of American Communism* (New Haven: Yale University Press, 1996), pp. 60-70.

Then the CPUSA hijacked the IPR. **Edward Carter** ⑧ was an officer of the YMCA in India and also worked for the organization in China. He was appointed secretary general of the IPR in 1933. At that point the IPR transmogrified from a neutral research institute to a political group critical of Japanese foreign policy. After moving the headquarters of IPR from Honolulu to New York in 1934, **Carter** ⑧ advocated addressing political problems in an aggressive manner. For editor of the IPR's bulletin *Pacific Affairs*, **Carter** ⑧ selected **Owen Lattimore** ③.

**Lattimore** ③, later accused of spying for the USSR by Senator Joseph McCarthy, criticized Japan's China policy, characterizing it as aggression. At the same time he carried articles favorable to the CCP. The bulletin's political bias was evident even then.

Nevertheless, Secretary General **Carter** ⑧ continued to champion **Lattimore** ③. According to classified FBI files, **Carter** ⑧ was known to associate with CPUSA members, and admitted that he was a communist sympathizer.

**Frederick Vanderbilt Field** ⑨, who joined IPR Headquarters in 1929 as **Carter's** ⑧ secretary, was the scion of the wealthy Vanderbilt family. His leftist statements earned him the sobriquet "red millionaire."

Additionally, IPR researchers working under Secretary General **Carter** ⑧ included **E. Herbert Norman** ⑩, a historian who later joined the Canadian foreign service; **Ji Chaoding** ⑪, who graduated from the University of Chicago and was secretary to the finance minister in Chiang Kai-shek's government; and **Zhen Hansheng** ⑫, a member of the Sorge espionage network in Shanghai. According to the Venona files, both **Field** ⑨ and **Ji** ⑪ were Soviet spies. **Zhen Hansheng** ⑫ was a spy for the CCP. **Norman** ⑩ was involved in determining which Japanese would be charged with war crimes after World War II. He was interrogated by the Senate Judiciary Committee in 1957, which suspected him of being a Communist Party member. Later that year he traveled to Egypt, where he committed suicide.

In 1939 with the help of communists **Ji** ⑪ and **Zhen** ⑫, the IPR began issuing its *I.P.R. Inquiry Series* of books and booklets, among them **Norman's** ⑩ *Japan's Emergence as a Modern State*.<sup>10</sup> All of them accused Japan of aggression in China; they had a tremendous influence on the formation of American occupation policy.

During World War II the IPR was involved in the creation of training programs for US Army and Navy officers assigned to the Pacific theater. Furthermore, it furnished a huge number of "educational," anti-Japanese pamphlets, such as "Know Your Enemy: Japan" to American military personnel and government employees.

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<sup>10</sup> E. Herbert Norman, *Japan's Emergence as a Modern State: Political and Economic Problems of the Meiji Period* (New York: Institute of Pacific Relations, 1940).

Particularly noteworthy was the IPR's collaboration with director Frank Capra in the production of a propaganda film, also entitled *Know Your Enemy: Japan*. Particularly venomous segments of the film depict Japan as a power-hungry nation seeking to conquer the world. *Know Your Enemy* also introduces the Tanaka Memorial<sup>11</sup>, brainwashing via state Shinto, and the Nanjing "massacre." The film is directly connected to the issuance of the Shinto Directive by GHQ, which ordered the Japanese government to abolish state Shinto, and the pursuit of the massacre accusation at the IMTFE. Interestingly enough, it was Army Chief of Staff George Marshall ② who ordered that the IPR be in charge of the production of the anti-Japanese propaganda film, as well as the training program for American officers.

#### **Phase 4: Publication of pro-CCP magazine *Amerasia***

February 1936 saw the outbreak of the Xi'an Incident, the outcome of which was a policy shift on the part of Chinese Nationalist leader Chiang Kai-shek. Chiang agreed to join hands with the CCP in the war of resistance against the Japanese. In March the red millionaire (**Field**) ⑨ and **Philip Jaffe** ⑤, the editor of pro-CCP *China Today*, began publishing *Amerasia* magazine, in an effort to solidify American support for the Second Nationalist-Communist United Front.

The editorial office of *Amerasia* was adjacent to the IPR's secretariat. Its editors were **Lattimore** ③ (editor in chief of the IPR organ), **Ji Chaoding** ⑪, and **T.A. Bisson** ⑬, a former missionary in China and a member of the Foreign Policy Association's research staff. According to the Venona files, **Bisson** ⑬, who was part of the branch of the GHQ that dismantled Japan's *zaibatsu* after the war, was a Soviet spy.

**Jaffe** ⑤ and **Field** ⑨, publishers of *Amerasia*, visited China in 1937, accompanied by **Lattimore** ③ and **Bisson** ⑬. They met with **Agnes Smedley** ⑦ there and traveled with her to Yan'an, where CCP headquarters was located. There they interviewed **Mao Zedong**, **Zhou Enlai** and other communist luminaries. It is very likely that they participated in in-depth discussions about espionage operations during the imminent war between Japan and China.

#### **Phase 5: Attempts to sway the Roosevelts**

After the Marco Polo Bridge Incident occurred in July 1937, American anti-fascist groups launched wholesale pro-China, anti-Japan campaigns. The American League Against War and Fascism, which at the time boasted 109 branches in 24 states and some 4 million members, sponsored a national conference in November. At the conference the name of the organization was changed to the American League for Peace and Democracy,

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<sup>11</sup> Document outlining a strategy for Japan's conquest of the world, allegedly authored by Prime Minister Tanaka Giichi (1864-1929) and today rejected as spurious.



in the hope that the new name would arouse American enthusiasm for protecting those two ideals.

The reincarnated organization established a subsidiary called the China Aid Council, with branches in 22 US cities. The China Aid Council in turn organized demonstrations protesting Japanese aggression in China, and petitioned Congress to impose an embargo on the export of weapons to Japan.

According to “Pro-China, Anti-Japan Activity in the US,” a confidential document prepared by the Japanese Consulate in July 1940, the honorary chairwoman of the China Aid Council was none other than Sara Delano Roosevelt, wife of James Roosevelt and the mother of President Franklin D. Roosevelt. The honorary vice-chairman was Hu Shi, a former Chinese ambassador to the US; one of the directors was Katherine Tupper Marshall, wife of Army Chief of Staff George Marshall ②. It is hard to imagine Mrs. Marshall’s agreeing to serve as executive director of an anti-Japanese organization without her husband’s approval. Furthermore, as mentioned earlier, it was Marshall ② who ordered the production of anti-Japanese films condemning the Japanese for the Nanking “massacre” during World War II. It would seem prudent to examine his particular brand of ideology.

The China Aid Council may have seemed like an all-American organization, with Roosevelt’s mother and Marshall’s wife serving as officers. But in actuality, it was an affiliate of the CPUSA.

Other directors were Soviet spies **Phillip Jaffe** ⑤ and **Ji Chaoding** ⑪; **Mildred Price** was secretary general. According to the Venona files, Price and her sister **Mary Price** (secretary of the renowned commentator Walter Lippman) were spies who sent reports containing internal intelligence about the US to the USSR.

Thanks to the Venona files, we now know that these people were spies for the Soviet Union. However, in the eyes of the ordinary American in the 1940s, **Jaffe** ⑤ and **Price** must have seemed like humanitarians who truly wanted to help China. Estimates have it that approximately three million Americans supported the China Aid Council in some way; this means that, by extension, the majority of Americans were spectacularly duped.

### **Richard Sorge: Behind the Nanjing propaganda**

In connection with anti-Japanese campaigns, anti-Japanese propaganda began spreading briskly through Europe and the US, broadcasting news about atrocities supposedly committed by Japanese military personnel. Behind that propaganda was the Chinese Nationalist Party and its leader, Chiang Kai-shek.

In November 1937, the Nationalist Party established an International Propaganda Section, which it charged with the production and international dissemination of propaganda, as its name implies. One facet of its program involved using Western newspaper reporters,

missionaries and academics to censure Japan. One of the fruits of its labors was *What War Means*, edited by Harold J. Timperley, correspondent for the *Manchester Guardian*, and published in New York and London in June 1938.

This book, most likely the first to publicize the Nanking “massacre,” was a propaganda work commissioned and funded by the International Propaganda Section. (Timperley was an advisor to the Central Propaganda Bureau.) The work of writing the book was divided between George Fitch ⑭, head of the YMCA in Nanjing, and Miner Searle Bates, a professor at Nanking University. Bates too was an advisor to the Nationalist government.<sup>12</sup>

It appears that the Comintern also had a part in this enterprise. According to *Sorge Infiltrates Shanghai* by Yang Guoguang, immediately after the outbreak of the Marco Polo Bridge Incident in July 1937, **Richard Sorge** visited the site in the capacity of a German newspaper reporter. Then, for some reason, he was allowed on board a Japanese military aircraft bound for Nanjing. In mid-December, after Nanjing had fallen, he claimed to have witnessed a massacre in Nanjing.<sup>13</sup> At the time the German Embassy in Nanjing issued a report to the home government stating that Japanese troops had become a killing machine and were murdering civilians. It is certainly possible that **Sorge** had a part in the writing of that report.

Furthermore, according to Kato Tetsuro, visiting professor at Waseda University, **Rudolf Hamburger**, the architect who provided a secret meeting place in Shanghai for **Sorge** and **Smedley** ⑦, was in fact the head of a ring of Red Army espionage agents. **Hamburger’s** wife, **Ruth Werner**, was **Sorge’s** assistant in Shanghai. One of the couple’s friends, John Rabe, head of the German firm Siemens’ China operations, kept a diary that was supposedly evidence that a massacre was perpetrated in Nanjing.<sup>14</sup>

History harbors many unanswered questions. After all these years, we discover that Soviet and Comintern spies may well have been involved in the Nanjing “massacre” publicity campaign.

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<sup>12</sup> Higashinakano Shudo, ed. *Nankin jiken: Kokuminto gokuhi bunsho kara yomitoku* (Understanding the Nanking Incident with the aid of top-secret Nationalist documents) (Tokyo: Soshisha, 2006); Kitamura Minoru, *The Politics of Nanjing: An Impartial Investigation*, trans. Hal Gold (Lanham, Maryland: University Press of America, 2007).

<sup>13</sup> Yang Guoguang, *Zoruge, Shanhai ni sennyu su: Nihon no tairiku shinryaku to kokusai johosen* (Tokyo: Shakai Hyoronsha, 2009).

<sup>14</sup> John Rabe, *The Good Man of Nanking: The Diaries of John Rabe*, ed. Erwin Wickert, trans. John Woods (New York: Random House, 1998).

## Phase 6: Stimson becomes tool of China lobby

Back in the US between December 1937 and January 1938, the Rev. John Magee was in Nanjing, then under Japanese occupation. Magee secretly filmed the war zone. The resulting footage, per instructions from Timperley (the aforementioned advisor to the Nationalist government) was edited and given the title *China Invaded*. The YMCA showed it all over the US as part of its pro-Chinese, anti-Japanese campaigns.

It was George Fitch ⑭ of the YMCA who took the film out of Nanjing. In April 1938 he met with former Secretary of State Henry Stimson ⑮, Stanley Hornbeck ⑯, chief of the State Department's Division of Far Eastern Affairs, and other high-ranking government officials. The purpose of those meetings was most likely to seek advice about forming organizations to turn the Roosevelt administration against Japan.

The reasoning behind this conjecture is as follows: in August 1938 Fitch ⑭ was instrumental in the founding of the American Committee for Non-Participation in Japanese Aggression (also known as the Price Committee) in New York. The organization immediately began a massive campaign lobbying the US government to impose embargos on exports to Japan.

According to Ma Xiaohua's *Illusionary New Orders and the Asian-Pacific*, the suggestion to form the Price Committee came from former Yanjing University Professor Harry Price ⑰. Price and his younger brother Frank ⑱ (a missionary active in China) appealed to their friends in the New York area, arguing the need to lobby for military aid to China and economic sanctions against Japan. Furthermore, Price traveled to Washington, DC on June 7 and met with Stanley Hornbeck ⑯, who agreed that it would be necessary to launch a campaign to change the isolationist mood in the US and to heighten American interest in Asian problems.

Having received the blessing of the State Department, the Price brothers, formed the Price Committee in New York in July 1938. They enlisted the support of the much admired deaf-blind author Helen Keller; Roger Greene, a former consular officer in China and younger brother of Rockefeller Foundation and IPR director Jerome; **Maxwell Stewart** ④, a missionary active in China; *Amerasia* editor **Phillip Jaffe** ⑤; George Fitch ⑭, head of the YMCA in China); and **Josephine Schain**, chairwoman of NCCCW (National Committee on the Cause and Cure of War). (The official date of establishment was January 1939, when former Secretary of State Henry Stimson ⑮ was installed as honorary chairman.)

Among the founding members were Frank Price ⑱, the editor of English-language documents produced by the Nationalist government's International Propaganda Section; former missionary **Maxwell Stewart** ④, chairman of American Friends of the Chinese People, a communist-controlled organization; and **Jaffe** ⑤ and **Bisson** ⑬, both of whom are exposed as Soviet spies in the Venona files. And in one of his reports, Consul General Wakasugi mentions that **Josephine Schain** was a CPUSA sympathizer.

Incidentally, Eleanor Roosevelt, the President's wife, was a founding member of the General Federation of Women's Clubs, an affiliate of the NCCCW.<sup>15</sup>

Though the Price Committee placed Christian leaders in very visible positions, its membership comprised many Chinese Nationalist and CPUSA agents. The organization embarked on a lobbying campaign, publishing and distributing 60,000 copies of a booklet entitled "America's Share in Japan's War Guilt" (80 pages printed on A5 paper) and 22,000 copies of another entitled "War Guilt" to every US congressman, to Christian groups, women's groups and labor unions.

Such vigorous lobbying steered the Roosevelt administration onto a China aid course. In December 1938, at the suggestion of Stanley Hornbeck (16), President Roosevelt decided to lend \$25 million to the Nationalist government, with the understanding that he was doing so to help contain Japan.

### **Japanese consul general spots communist maneuvers**

Deluded by the USCPA's antifascist, protect-democracy fervor, two government officials, former Secretary of State Stimson (15) and chief of the State Department's Division of Far Eastern Affairs Hornbeck (16) fell into a trap. That speaks well for the skill of the USCPA operators, but there was very little concern about the Comintern or the USSR in the US at that time. The US government (the FBI in particular) didn't begin to focus on the CPUSA until late 1939.

Meanwhile, the Japanese Foreign Ministry had correctly analyzed the situation and discovered that CPUSA and Comintern maneuvering was the force driving the anti-Japanese movement in the US.

On July 20, 1938, Wakasugi Kaname, consul general in New York, submitted a top-secret report entitled "Chinese Propaganda in the US" to Foreign Minister Ugaki Matome. In it he analyzes anti-Japanese propaganda, as follows.

1. Since the outbreak of the Second Sino-Japanese War, American newspaper publishers have been carrying sensational features portraying China as a victim of Japanese aggression struggling to protect democracy.
2. The Roosevelt administration and Congress are very susceptible to public opinion. Public opinion has been influenced by this sort of anti-Japanese reportage, and the government and Congress could very well turn against Japan.

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<sup>15</sup> Ma Xiaohua, *Maboroshi no shin chitsujo to Ajia taiheiyo: dainiji sekai taisenki no Bei-Chu domei no atsureki* (Illusionary new orders and the Asian-Pacific: The Chinese-American alliance in the war against Japan, 1941-1945) (Tokyo: Sairyusha, 2000).

3. Chiang Kai-shek and his wife Soong Mei-ling are making a good impression in the US. Since the American people believe that they are protectors of democracy and Christianity, their statements always garner attention.
4. Americans think Japan is a fascist dictatorship like Nazi Germany because Japan concluded the Anti-Comintern Pact with Germany.
5. In an environment like this, there are three types of propaganda machines supporting China: those connected with the Chinese government, the CPUSA, and religious and humanitarian groups. However, the anti-fascist, pro-democracy stance trumpeted by the CPUSA has become the moral standard for all these organizations.
6. CPUSA-related organizations are outwardly professing the importance of protecting democracy and attempting to unite anti-fascist forces. The success of their anti-Japanese operations should under no circumstances be underestimated.
7. The true aim of the CPUSA is not even remotely connected with protecting democracy. It is to worsen Japan-US relations, prolong the Second Sino-Japanese War, and ultimately render Japan incapable of posing a military threat to the Soviet Union.

Wakasugi underscored his conviction that the CPUSA was behind the Roosevelt administration's anti-Japan policies, and urged the Konoe Cabinet not to fall prey to the communist plot to sever the relationship between Japan and the US.

### **“Operation Trojan Horse”**

On July 26, 1939, as hostility toward Japan reached a peak in the US, the Roosevelt administration announced the termination of the Treaty of Commerce and Navigation signed between Japan and the US on February 21, 1911. Since Japan depended on the US for critical resources, such as scrap iron, steel and petroleum, the termination had the potential to strike a fatal blow to the Japanese economy. When, in March 1940, the US announced it would be providing \$20 million in military aid to the Chiang government, its anti-Japanese, pro-Chinese stance was becoming quite obvious.

On July 25, 1940, as anti-American sentiment mounted in Japan, Consul General Wakasugi submitted another report to Foreign Minister Matsuoka Yosuke of the Second Konoe Cabinet, this one entitled “Anti-Japanese, Pro-Chinese Activity in the US.” In it he wrote:

1. The anti-Japanese, pro-Chinese movement in the US conducting effective, far-reaching lobbying aimed at the President and Congress. Additionally, newspapers, magazines, radio broadcasts and rallies organized by pro-Chinese groups are fueling the flames of anti-Japanese sentiment among the American people.

2. The CPUSA and, by extension, the Comintern, are responsible for instigating most of this anti-Japanese activity.
3. The ultimate goal of such activity is to help Stalin succeed in his plot to communize all of Asia. This is to be accomplished by using the pretext of rescuing China to launch the US on the path to war with Japan, thereby hampering Japanese activity in the Far East.
4. One example of the success of the CPUSA-Comintern “Operation Trojan Horse,” set in motion ostensibly to rescue China, is the formation of the Price Committee. By concealing its communist roots, and instead flaunting influential liberal members with social credibility like Helen Keller, it has made significant inroads into political, religious, press, and even intellectual circles.
5. Some intellectuals see these CPUSA operations for what they are, and find them distasteful. However, they are reluctant to protest against anti-Japanese, pro-Chinese activity because of anti-Japanese sentiment among the general populace.

Wakasugi was telling the Konoe Cabinet that by retaliating against the Roosevelt administration’s anti-Japanese policies by adopting anti-American policies, they would ultimately become accomplices, however unwitting, in **Stalin’s** plan to communize Asia. The Cabinet, however, did not heed his advice.

The day after receiving Wakasugi’s report, the Konoe Cabinet approved the “Outline of Basic National Policy,” which announces the intention to build a new great East Asian order. The decision was influenced by journalist **Ozaki Hotsumi**<sup>16</sup> and other members of the Showa Kenkyukai (Showa Research Association), a political think tank. With the signing of the Japanese-Soviet Neutrality Pact on April 13, 1941, Japan’s pro-Soviet, anti-American policy was set in motion.

### **Phase 7: Spies within US government force anti-Japanese policies through legislature**

In the face of CPUSA- and Comintern-induced anti-Japanese public opinion, the Roosevelt administration counterattacked with increasingly oppressive anti-Japanese diplomacy.

In March 1941 Roosevelt dispatched presidential advisor **Lauchlin Currie** <sup>19</sup> to China, where he discussed the details of military aid to that nation with Chiang government officials. In April **Currie** <sup>19</sup> proposed a plan whereby the US would collaborate with China in the bombing of Japan, using approximately 500 military aircraft (fighters and

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<sup>16</sup> Ozaki was a journalist who served as a consultant to Prime Minister Konoe Fumimaro. He was also a member of Richard Sorge’s espionage ring. Ozaki was the only Japanese ever to be hanged for treason.

bombers). Roosevelt affixed his signature to the plan, known as JB355, on July 23, *four months prior to the Japanese attack on Pearl Harbor*.

According to *Bankrupting the Enemy: The U.S. Financial Siege of Japan Before Pearl Harbor* by Edward S. Miller, at the suggestion of **Harry Dexter White** ⑳, director of research at the Treasury Department's Division of Monetary Research, Japan's assets in the US were frozen on July 26. Japan's financial assets were now worthless, and for all intents and purposes, Japan was bankrupt. To make matters worse, **White** ⑳, *a Treasury Department bureaucrat*, drafted the Hull Note, the final warning issued to Japan, which goaded the Tojo Cabinet to wage war on the US.<sup>17</sup>

The Venona files reveal that both **Currie** ⑑ and **White** ⑳, forgers of anti-Japanese policy, were Soviet spies.

War between Japan and the US erupted in December of 1941. On December 9, 1941, two days after the attack on Pearl Harbor, the CCP announced that with the outbreak of hostilities between Japan and the US, the Pacific anti-Japanese united front was now complete. The Soviet-Comintern strategy to use the US to destroy Japan had borne fruit after 21 years.

With the disclosure of the Venona files, Comintern documents and top-secret documents housed at the Japanese Foreign Ministry, we are gradually discovering what the Comintern, the CCP, and the Roosevelt administration, which placed Soviet spies in key positions, did before, during and after World War II.

It behooves us to conduct an exhaustive examination of these confidential documents, and collaborate with American conservatives to determine the extent of the Roosevelt administration's war responsibility.

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<sup>17</sup> Edward S. Miller, *Bankrupting the Enemy: The U.S. Financial Siege of Japan Before Pearl Harbor* (Annapolis, MD: U.S. Naval Institute, 2007).

## USCPA “OPERATION TROJAN HORSE”

Prior to World War II most anti-Japanese groups in the US were run by Comintern spies or USCPA members

Phase 1: Establishment of the CPUSA (1919)  
**Earl Browder** ⑥ installed as general secretary in 1934



Phase 2: Establishment of American Friends of the Chinese People (1933)  
Chairman: **Maxwell Stewart** ④, editor of *The Nation*  
Organ: *China Today* (**Phillip Jaffe** ⑤, editor in chief)  
Editors: **Frederick V. Field** ⑨ (IPR staff member); **T.A. Bisson** ⑬



Phase 3: Relocation of IPR Headquarters to New York (1934)  
Director general: Jerome Greene (Rockefeller Foundation director)  
Secretary general: **Edward Carter** ⑧ (former officer, YMCA in India)  
(**Frederick V. Field** ⑨ was an IPR staff member and Carter’s secretary)  
Organ: *Pacific Affairs* (**Owen Lattimore** ③, editor in chief)  
Staff members: **E. Herbert Norman** ⑩ (Canadian Friends of China staff member);  
**Jin Chaoding** ⑪ (economist); **Zhen Hansheng** ⑫ (member of Sorge spy network)



Phase 4: Inauguration of *Amerasia* magazine (February 1937)  
Editorial board chairman: **Frederick V. Field** ⑨ (IPR staff member)  
Editor in chief: **Phillip Jaffe** ⑤  
Editors: **Owen Lattimore** ③, **Ji Chaoding** ⑪ (economist), **T.A. Bisson** ⑬



Phase 5: Establishment of China Aid Council (November 1937)  
Honorary chairwoman: Sara Delano Roosevelt (mother of Franklin D. Roosevelt)  
Honorary vice-chairman: Hu Shi (former Chinese ambassador to the US)  
Directors: Katherine Marshall (wife of Chief of Staff George Marshall),  
**Phillip Jaffe** ⑤, **Ji Chaoding** ⑪ (economist)  
Secretary general: **Mildred Price**





Phase 6: Establishment of American Committee for Non-Participation in Japanese Aggression (January 17, 1939)

Honorary chairman: Henry Stimson ⑮ (former secretary of state)  
Chairman: Roger Greene (former US consular officer in Hankou)  
Vice-chairwoman: **Josephine Schain** (chairwoman of National Committee on the Cause and Cure of War)  
Executive secretary: Harry Price ⑰ (former Yanjing University professor)  
Founding members: Helen Keller, **Maxwell Stewart** ④ (editor of *The Nation*), **Phillip Jaffe** ⑤, **T.A. Bisson** ⑬, George Fitch ⑭ (China YMCA officer), Frank Price ⑱ (Protestant missionary in China)



Phase 7: US government implements anti-Japanese policies

President Franklin D. Roosevelt, **Alger Hiss** ① (State Department official), George Marshall ② (Army chief of staff, secretary of state), Stanley Hornbeck ⑯ (head of Division of Far Eastern Affairs), **Lauchlin Currie** ⑲ (presidential advisor), **Harry Dexter White** ⑳ (director, Division of Monetary Research)

Notes:

1. **Boldface** indicates Communist Party members or sympathizers.
2. **Shaded names** indicate individuals described as Comintern spies or collaborators in the Venona files.
3. Circled numbers (①, ②) following personal names are used to indicate influential individuals; they also appear in the body of this paper.