
II. China: America's Natural Ally

BEHIND THE VILIFICATION OF CHINA

The Desperate Campaign to Derail LaRouche's New Bretton Woods

by Harley Schlanger and Barbara Boyd

Sept. 6—In recent discussions, Schiller Institute founder and President Helga Zepp-LaRouche has emphasized that there is not a single economic problem which could not be solved by U.S.-China cooperation. She noted that the personal relationship between Presidents Trump and Xi, forged during an initial summit in Mar-a-Lago, Florida in April 2017, and deepened during Trump's visit to Beijing in November 2017, offered hope that the United States might engage in a collaborative relationship with China's Belt and Road Initiative (BRI), which could even include Chinese participation in modernizing America's rapidly deteriorating infrastructure.

Trump's assertion of his great respect for Xi, and friendship with him, raised the prospect that such collaboration was indeed possible. This prospect was strengthened by the positive role China played, in working with Trump, to bring North Korea's President Kim Jong-Un to fruitful negotiations with President Trump, resulting in a dramatic decrease in tension—created by Kim's nuclear weapons program—and the promise of a better future for North Korea, through its participation in the New Silk Road.

This potential carried over into the initial talks between negotiators for the United States and China, who began work on a trade deal between the world's two largest economic powers, talks which have since proceeded through a turbulent series of ups and downs into the present exchange of retaliatory tariffs. A new round of talks is scheduled to begin in Washington in early October, with both sides expressing optimism.

LaRouche's Plan Will Resolve Trade War

The so-called "trade war" is taking place within the fixed parameters of the present economic architecture of the modern-day British Empire centered in the City of London and its offshore black money empire, and all of the tensions inherent in these talks stem from working within the confines of that architecture.

As Lyndon LaRouche repeatedly emphasized, the



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President Trump meets with Chinese President Xi Jinping at Mar-a-Lago in 2017.

only way to reverse the deindustrialization of the United States and establish human living conditions for the world's populations is to replace the present globalist monetarist regime with a New Bretton Woods monetary system, based on fixed exchange rates, with credit cooperatively extended by agreements between sovereign nation states for joint projects in advanced infrastructure and city-building, the development of fusion

power, and exploration of space and other frontiers of human knowledge.

LaRouche stipulated that Russia, China, India, and the United States have the economic potential to survive the inevitable collapse of the present system, and an economic mobilization of these countries now, toward mutually agreed upon goals for development, would be readily joined by other nations in a happy revolution which would end the evil system of Empire once and for all. China's Belt and Road is precisely the type of project LaRouche envisioned, and its continuing existence and expansion has sent the Queen's imperial forces into a complete froth.

President Vladimir Putin of Russia has indicated repeatedly that he understands the tensions inherent in the present system and trade negotiations. He has noted that Russia and China have done relatively well under the rubric of globalization and the World Trade Organization, while the United States was deindustrialized and devastated as its manufacturing was shipped to China and other developing nations in pursuit of the lowest wages possible.

As President Trump has often said, China did not initiate the mass transfer of American industrial jobs; they simply took advantage of a situation presented to them. What the President has failed to mention, but surely knows, is that this policy was authored by the idiots in an increasingly inbred American and British financial elite on Wall Street and centered in the City of London's offshore empire. Anyone saying otherwise needs a quick geography and history lesson—a reality shower which actually wakes them up.

Similarly, as various Chinese scholars have emphasized, a trip to the former U.S. industrial heartland—now transformed into a desert of abandoned plants, main streets, and opiate dens, with the occasional Walmart serving as a commercial center—is required to understand the President's passion to “make America great again” and the dangerous populist currents and war danger that can result from this promise not being fulfilled.

Trump's friendship with Xi, his attacks on globalization and defense of the nation state, and his resolution to bring modern manufacturing and space exploration back to the United States have been attacked relentlessly by a bipartisan group in the United States, a group owned by Wall Street and London financiers. These are, in reality, the same forces that led and are leading the Russiagate coup against President Trump.



Urs Jaudas, WEF/swiss-image

Former UK Prime Minister David Cameron.

Neocoon War Against a Prosperous Future

Now, they are seeking to blow up the potential U.S.-China relationship by making China the new enemy, attempting to repeat the British-engineered division of the world following World War II into two hostile Empires, the Soviet bloc and the Western-oriented nations. While the British seek to make the United States China's main antagonist, they are also seeking to subvert China itself by granting it access to the financial machinations of the City of London and insisting that such access depends upon the Belt and Road being subjected to Green policies. Former British Prime Minister David Cameron was the public face of this campaign. Cameron noted, in the wake of the 2008 financial collapse, that the City would completely reorient its operations toward East Asia and China, in particular, and become China's “very best friend” in the world.

As the result of these machinations, the City of London dominates the world's offshore renminbi trading transactions, accounting for 37% of the total as of April 2019. The London and Shanghai stock exchanges have just merged. As idiots in the United States demand that Chinese scholars studying and contributing to scientific advancement in U.S. institutions be investigated and expelled and cooperative channels be shut down, British universities are throwing open their doors and actively seeking recruits to the modern British imperial monetarist worldview.

This war against a potential prosperous future for humanity involves—as the former UK Ambassador to Washington, Sir Kim Darroch, instructed in his hacked and published emails—“flooding the zone” around the President with British stratagems and British hench-

men. In the context of the trade war, this involves free traders falsely presenting themselves as national security hawks intent on maintaining “U.S. hegemony.”

Congressional Anti-China Consensus

As the election approaches, the Democratic China hawks—Senators Charles Schumer, Elizabeth Warren, and Bernie Sanders—are ready to pounce on any deal with China made by the President and condemn it as political weakness.

To Trump’s right, former advisor Steve Bannon has declared himself the guardian of Trump’s base and declared war on any China deal that he views as weak, along with dozens of other crazy and discredited neo-cons now grouped, with Bannon, in the “Committee on

fronts for anti-China poison are the Congressional Taiwan Caucus and the Congressional Executive Committee on China. A second front exists within the vast and bloated U.S. intelligence and military bureaucracy which needs an “enemy” to justify the billions of dollars pumped into it every year. Finally, there are the neanderthal neo-liberal and neo-conservative think tanks and ideologues, the people responsible for this nation’s endless wars, who have not had a new or reasonable idea for decades.

It is not accidental that two of the China hawks within the Trump Administration, Secretary of State Mike Pompeo and Vice President Mike Pence, are Congressional products of the anti-China fervor, as well as products of the bizarre British-originated apocalyptic



CC/Michael Vadon

Steve Bannon, former Trump advisor.



voachinese.com/Li Yihua

Michael Pillsbury.



White House

Vice President Mike Pence.

the Present Danger: China.” Bannon famously sold the President down the river at a key point in the coup against him. Bannon collaborated, from the White House, with British author Michael Wolff in the fake news product, *Siege: Trump Under Fire*, and then claimed publicly that the Trump organization was a “criminal enterprise,” after the President fired him. Ever since, he has been trying to worm his way back into Trump circles. Along with Bannon, the Hudson Institute’s Michael Pillsbury and China hawks like Bill Gertz have been given maximum play on Rupert Murdoch’s Fox News, in order to box in the President.

Washington’s bipartisan anti-China consensus has, for years, been centered in and around the Congress. Any disagreements are confined to how best to control and subvert the emergent Chinese state using the age-old tools of geopolitics. The two chief Congressional

death cult known as Christian Zionism. National Security Advisor John Bolton, said to be increasingly on the outs with the President, is a product of the neo-conservative think tanks in the United States who authored the disastrous Iraq War and is a devoted anglophile.

The Taiwan Caucus is the second largest bipartisan grouping in Congress, second only to the lobby associated with the state of Israel in membership and political power. It includes 139 members. Taiwan spends officially (not including payments not required to be reported under the Foreign Agents Registration Act) somewhere in the range of \$3-4 million per year on its Washington lobbying operations, three times what China spends, and employs lobbying shops associated with Bob Dole, Dick Gebhardt, Tom Daschle, and Don Nickles—all major Washington power players—in its anti-China operations in the Congress. That caucus is

now actively supporting independence for Taiwan.

The second major anti-China front in the Congress is the Congressional Executive Committee on China (CECC) chaired by Republican Sen. Marco Rubio and Democratic Rep. Jim McGovern. This is a congressionally mandated Chinese human rights and “democratization” monitor, established in 2000, in the wake of the “liberalization” of U.S.-China relationships which allowed China to have most favored nation status and to join the World Trade Organization.

The CECC interfaces with the National Endowment for Democracy in championing such hybrid warfare operations as the Falun Gong, the Tibetan independence movement, Uighur independence in Xinjiang, and Hong Kong independence. It has produced infa-

a 2018 National Defense Authorization [Act](#) arguing that China was a major competitor of the United States and a revisionist power in the world that would require millions of dollars to confront. The White House had very little to do with concocting this mandate. The bellicose and insane arguments used to justify it, however, do have an underlying rationale. The present deindustrialization of the United States has created major national security vulnerabilities.

The U.S. is behind in 5G and more advanced communications technologies, creating major vulnerabilities in its defense capabilities.

It is also behind in the new missile and flight technologies recently on display in Russia. A review of U.S. supply chains for its military reveals the United States



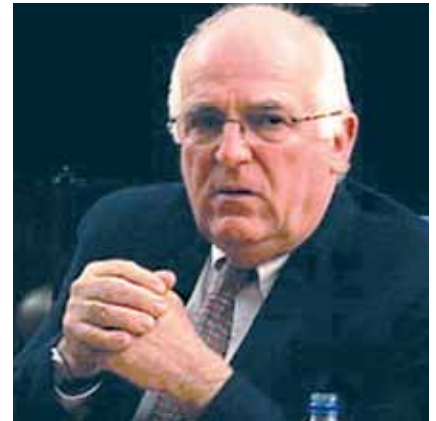
Public Domain/ Ron Przynsucha/

Secretary of State Mike Pompeo.



Gage Skidmore

Senator Marco Rubio.



Public domain

Sir Richard Dearlove, head of the British Secret Intelligence Service, 1999-2004.

mous and destructive legislation, such as that sponsored by former Virginia Congressman Frank Wolf, which outlawed U.S. and Chinese collaboration in space exploration. Again, demonstrating the British hand, Frank Wolf’s actions were undertaken at the behest of British Baroness Caroline Cox and her “movement,” Christian Solidarity International. Now, Marco Rubio and other idiots in this group have launched campaigns to shut down *all* student and scientific exchanges with China and are seeking to revive a McCarthyite hysteria in order to prevent the President from reaching an accommodation with Xi as the 2020 election approaches.

U.S. Falls Behind in Advanced Technology

The U.S. military, in conjunction with this Congressional lobby and the intelligence community, authored

to be wholly dependent on foreign nations for its defense capabilities. Obviously, the solution to this is the full-scale reindustrialization of the United States, not threats and tantrums directed at China, or self-righteous claims that China’s stole everything from the U.S. Such self-consoling delusions will never result in the full-scale mobilization necessary to revive the U.S. economy, and preserving the present “service” and casino economy is exactly the reason why such lies are pumped out and promulgated.

Henry Jackson Society’s China Bashing

The adversaries of America’s true national interest, located in the City of London, are working hand-in-hand with anti-China forces in the U.S. Typical of this is the Henry Jackson Society (HJS), a London-based geopolitical think tank. It is led by Sir Richard Dear-

love, the former head of the British Secret Intelligence Service, a key instigator of the coup against President Trump, and the mentor and advisor of the British agent Christopher Steele in his full-spectrum information warfare operations against President Trump.

The HJS has published numerous papers and reports warning of the “China threat.” These include an April 2, 2019 report, “Infrastructure, Ideas and Strategy in the Indo-Pacific.” This report includes a chapter on China’s “global ambitions with the BRI and the Maritime Silk Road,” calling for the British to develop “alternative models to the BRI.”

On May 16, 2019, the Jackson Society released “Huawei Technologies Links to Chinese State Securities Services,” which critiques the argument that Huawei is not a security threat; it carries an introduction by Sir Richard Dearlove himself.

Demonstrating the actual authorship of recent color revolution hybrid war against China, HJS issued “Hong Kong: The Steady Erosion of Freedom” on June 10, 2019, and “How Britain Should Respond to Chinese Threats,” on July 18, 2019. The latter calls for punitive sanctions—to combat China’s alleged use of “Uighur concentration camps” against Muslim dissidents, and “crack downs in Hong Kong.” One of the authors of both of these reports is Dr. John Hemmings, an Adjunct Fellow at the U.S. Center for Strategic and International Studies, as well as a member of several leading British think tanks, including HJS. According to his CV, he “regularly briefs senior military officials from the U.S. Department of Defense.”

While Rubio and Bannon Attack the BRI

Bannon and Rubio focus on the BRI and the “Made in China 2025” plan, a plan promoting China’s advanced technology sectors, as proof of China’s “hegemonic intentions.”

In a highly-publicized intervention, in a February 13, 2018 hearing on the “Worldwide Threat Assessment” held by the Senate Select Committee on Intelligence, Rubio accused China of “carrying out a well-orchestrated, well-executed, very patient long-term strategy to replace the United States as the most powerful and influential nation on Earth.” In addition to his broadsides during Congressional hearings, when he introduced the Countering the Chinese Government and Communist Party’s Political Influence Operations [Act](#), he published an op-ed in the *Washington Post* that day, asserting that “an increasingly aggressive Beijing poses

a direct threat to U.S. national interests and to the nation’s most deeply held values.” He also released a report, “Made in China 2025 and the Future of American Industry,” which attacks China for “blatant industrial espionage and coercion—actions that threaten our economic framework and our national prosperity.”

Bannon is more clever, in some respects, playing to stupidity induced by populism among the President’s key support base. He acknowledges that Wall Street and the City of London are responsible for the mass extinction of U.S. manufacturing and other U.S. physical-economic capabilities, but claims this is because China “bought them off.” “What China was able to do,” he argues, in an August 23, 2019 interview, “in coordination with elites in the West, was deindustrialize the industrial democracies of the West.” He states that western financial centers—particularly London, New York and Frankfurt—have “covered for China’s imperial policy.” He went so far as to argue that China’s activities in Africa—where its companies are engaged in many crucial infrastructural, industrial and agricultural development projects, and its role has been embraced by many African leaders—“are modeled on the British East India Company’s” colonial policies.

While Bannon is correct in identifying London and Wall Street as forces deindustrializing the West, such statements blaming China ignore the fact that the deindustrialization began after the assassination of President Kennedy in 1963, with the launching of the anti-science, anti-human Zero Growth movement, which was initiated and funded by leading financial institutions and British think tanks—long before China became an economic power.

The key moment in this process of western decline was the August 15, 1971 decision by President Nixon to begin to decouple the dollar from a gold reserve status, ending the era of fixed exchange rates that had allowed for global industrial development. That act opened the door for the casino economy of today, through banking deregulation and the “financialization” of the economy, in which credit flows in the west were diverted from investment in manufacturing and research and development, into increasingly wild speculation. This was furthered by “free trade” agreements, in which globalized corporate cartels and financial institutions acted to undermine national sovereignty.

It is these “market reforms,” not China’s advance, that are solely responsible for the decline of the so-called Western economies.