

# 'Free trade' is anti-western treason

*Historian Anton Chaitkin explains why free trade and communism are twins born of the same mother—the British Empire's war on national sovereignty.*

There are still in public life those who know that there was at one time a fundamental controversy between free trade and an opposed western economic doctrine. But this vaguely remembered and poorly understood controversy is thought to have been decided long ago, by the power wielded on the free trade side, or even by the alleged superiority of free trade arguments. And these arguments are all that appears in the predominant British-authored versions of economic and national history.

Let us remember that the doctrines of "free trade" and "communism" are philosophical twins, both based on the absurd premise that God-centered morality must be excluded from all considerations of economic policy. It should thus not surprise anyone when the first free traders descending on the countries newly freed from communism are gangster-speculators such as George Soros who rush to devour these societies.

## **If this is the West . . .**

If the speculator vultures and their cultural partners such as Michael Jackson, Hollywood pornography, and cocaine seem to represent western values and western thinking, then the Russians will reject this slave-culture "West" in favor of a chauvinism and imperial outlook of their own, which will bring the world to tragedy.

Under the free trade doctrine, real national sovereignty is not permitted: Governmental power must not be used to create or protect private manufacturing enterprises in one's own country, such as by using protective tariffs. The free trade policy does not admit the legitimacy of infrastructure enterprises of the government itself, such as central transportation projects engineered by the government. And under the free trade dogma, the slogan "private property" does not mean that the government should take strong steps to see to it that millions of citizens get to own their own property, such as homes and businesses and family farms. Rather, the slogan means that the government must not presume the right to regulate the national markets or the large enterprises, or interfere with their domination by "private" international financiers.

The intense irony of these doctrines, and why Americans of all people should feel ashamed to push such things on Russia, may be seen from a quick review of the history of

relations between the United States and Russia.

Russia's first major railroad, the line from Moscow to St. Petersburg, was built directly by the Russian national government in the 1840s. On earlier experimental rail lines, the government had offered inducements to private enterprises guaranteeing a minimum rate of profit, government grants of all the land through which the lines passed, grants of all the surrounding timber and raw materials, and the duty-free import of rails and rolling stock. This approach was similar to that used in America at that time: U.S. railroad lines were either financed by states or cities buying the stocks and bonds of private railroad builders, or in some cases were simply built by the state governments.

## **Whistler's contribution**

To superintend the Moscow-to-St. Petersburg project (entirely financed by the government), Czar Nicholas I hired American railroad engineer George Washington Whistler. Major Whistler had earlier been one of the U.S. Army engineers assigned by President John Quincy Adams to design and supervise the construction of the first commercially successful U.S. railroad, the Baltimore and Ohio. Major Whistler began work in Russia in 1842. He built fortifications and docks at Kronshtadt, bridged the Neva River, and saw through the vast enterprise, dying in Russia in 1848. America thus repaid Russia for joining Benjamin Franklin's anti-British "League of Armed Neutrality" back during the American Revolution.

Nicholas's son Czar Alexander repaid the Americans by intervening in the U.S. Civil War. The Russian fleet paid a visit to both New York and San Francisco harbors in 1863, convincing the British and French empires that they would face a European war if they came into the American conflict on the side of the slaveowners' insurrection.

The rebelling South, backed by British guns and ships, fought under the banner of "free trade"—the right of cotton planters to use their "private property" (slaves) as they saw fit. The other project of the British just then was burning Chinese cities to force China to buy British opium—more free trade.

The Union government under President Abraham Lincoln, on the other hand, sharply discriminated in favor of *useful* private trade. Resurrecting the nationalist economic

thinking of George Washington, Alexander Hamilton, and Henry Clay, the United States abolished private slave property, gave millions of acres of free land to private farmers, created the steel industry by imposing a 50% steel tariff, regulated bankers with federal usury laws, set up free state colleges, and began construction of five federally organized and federally subsidized railroads to span the continent from coast to coast. These and other similar "dirigist" national measures soon made the United States the world's biggest industrial power.

The United States repaid Russia in the 1890s. Gen. Grenville Dodge, Lincoln's chief military engineer who planned the Union Pacific Railroad (the first transcontinental line), served as consulting engineer to Economics Minister Count Sergei Witte in planning Russia's giant Trans-Siberian railroad.

In this era Russia resumed its American-style protectionist tariff and infrastructure policy, which it had abandoned under British pressure to adhere to free trade. Thus, Russian modern industry, which had made a start in the 1840s, again surged ahead with the construction of iron foundries and the oil industry. But British imperial geopoliticians were not pleased with Russia becoming a great western power, in potential alliance with the United States, Germany, and France. So revolutionary chaos was favored and fostered by senior empire men such as Lord Balfour and his Anglophile

friend Theodore Roosevelt, and Russia was driven out of the West.

Russia as a communist empire was perhaps convenient to those who would rule the world with a balance of terror. But before this terror returns and stalks the world, should we not encourage Russia to join us in our old concept of human freedom, linked to inspiring national achievements in science and industry?

Even in this "Anglo-American" century, all significant infrastructure, transport and utilities especially, are essentially public enterprises, state-financed and state-regulated. Yes, the U.S. railroads were bought out by financial sharks, and as a result were looted and eventually collapsed. Yes, airlines were deregulated, and are crashing financially. But let us point with pride to the defense-contracting aircraft industry, the government-built airports, and John Kennedy's Apollo space program; the magnificent U.S. highways grid; our Army engineers-built river and harbor systems and power projects which have made American private-enterprise production work; and the original canal and railroad enterprises, almost all government-financed and planned.

Let us not hide the truth of our own national greatness, merely in order to satisfy the lust of gangster speculators. We will not benefit by the plundering of Russia, but will only go down to our own destruction as did the southern Confederacy in its horribly false definition of "democracy" and free trade.



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