

# The British East India Company's War Against the United States

by Jeffrey Steinberg

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In October 1776, a 28-year-old English barrister named Jeremy Bentham wrote contemptuously of the American Declaration of Independence, which had been signed as an Act of the Continental Congress on July 4th of that year: "This," he spewed, "they 'hold to be' a 'truth self-evident.' At the same time, to secure these rights they are satisfied that government should be instituted. They see not ... that nothing that was ever called government ever was or ever could be exercised but at the expense of one or another of those rights, that ... some one or other of those pretended unalienable rights is alienated. ... In these tenets they have outdone the extravagance of all former fanatics."

Shortly after penning this venom, Bentham made his philosophical breach with the American republicans all the more clear in a lengthy tract titled *An Introduction to the Principles of Morals and Legislation* (1780). That manuscript would not only prescribe the founding principles of British philosophical radicalism; it would propel Bentham into the very center of a then-emerging new British Foreign Office and British Foreign Intelligence Service, consolidated under the guiding hand of William Petty, Lord Shelburne, a man who at the time was the *de facto*, if not *de jure* doge of Britain.

Bentham categorically rejected any distinction between man and the lower beasts, defining man instead as a creature driven purely by hedonistic impulses. To wit: "Nature has placed mankind under the governance of two sovereign masters, pain and pleasure. It is for them alone to point out what we ought to do, as well as to determine what we shall do. ... Every effort we make to throw off our subjection, will serve but to demonstrate and confirm it. The principle of utility—the greatest happiness or greatest felicity principle—recognizes this subjection, and assumes it for the foundation. ... Systems which attempt to question it deal ... in caprice instead of reason, in darkness instead of light."

Lord Shelburne was so taken with Bentham that he in-

stalled the writer, who fancied himself alternately as the reincarnation of Sir Francis Bacon and as the "Sir Isaac Newton of the moral sciences," in an apartment at his Bowood estate. Shelburne assigned to Bentham an English and Swiss editor in order to ensure the widest dissemination of Bentham's works in both the English- and French-speaking worlds. Later, Bentham's works would be even more widely circulated throughout Latin America during his years of intimate collaboration with the American traitor Aaron Burr, and with revolutionists Gen. Francisco de Miranda—a Venezuelan by birth who played a leading role as a paid agent of the British East India Company in the Jacobin Terror in France—and Simón Bolívar. Burr, fleeing the United States, took up residence at the home of Bentham, and the two men conspired to establish an empire, first in Mexico, and later in Venezuela.

## Shelburne's Political Intrigues

At the very moment of his taking up with Bentham, Lord Shelburne was in the process of launching his most daring political intrigues.

In June 1780, weary of the failed prosecution of the war in North America, and convinced that the ministry of Lord George North would bring eternal ruin to his dreams of permanent empire, Lord Shelburne, through the East India Company and its allied Baring Bank, bankrolled a Jacobin mob to descend upon London, ostensibly in protest over the granting of Irish reforms. The so-called Irish reforms amounted to little more than forced conscription of Irishmen into the British Army to fight in North America—a move Shelburne hoped would also defeat the pro-American republican movement inside Ireland that had nearly launched its own revolt against Britain in 1779.

Led by Lord George Gordon, the Protestant rabble stormed Westminster, sending parliamentarians and lords alike down flights of stairs, out of windows, and to the hospitals. For eight days, London was ransacked, culminating in the storming of the Newgate Prison and the freeing of all the prisoners, who joined in the assault on the Parliament building.

Lord Shelburne, as head of the interior committee of the House of Lords, personally ensured the maximum terror by delaying the reading of the Riot Act (which would have called out the Home Guard) until violence had spread to ev-



*Jeremy Bentham's "auto-icon," his stuffed corpse, with the mummified head removed (and placed between his feet), and a mask affixed in its place. Still on display at London University.*

ery corner of the city. When the flames subsided, the ministry of Lord North was in ashes as well. North resigned as prime minister, and within months, Shelburne was himself in the new Rockingham cabinet as foreign secretary for the Northern District, subsuming the North American colonies. From that post, he would be the principal negotiator in Paris across the table from Benjamin Franklin.

By this time also, King George III had declared himself wholly subservient to the Shelburne-led East India Company faction—the Venetian Party.

As the result of these events, the shadow government formally took charge of the official state apparatus. The intelligence operations formerly housed at the East India Company were henceforth run out of the Foreign Ministry and the British Secret Intelligence Services (SIS).

A postscript on Lord Gordon, Shelburne's agent provocateur: After a brief stay in the Tower of London, foreshortened by Shelburne's personal intervention with the crown, Lord Gordon made off to friendlier ground in the Netherlands, where, to the astonishment of his Scottish Presbyterian cronies, he became a convert to Jewish cabbalism, taking the

name Israel Bar Abraham. He shortly thereafter surfaced in Paris as an occult advisor to Marie Antoinette, and from that position participated in Shelburne's intrigues against the French Bourbons.

The Jacobin insurrection in Paris during 1791-93 was a replay on grander scale of the earlier Shelburne-instigated Gordon Riots, down to the storming of the Bastille prison and the unleashing of the criminals.

### **Smith Assigned To Scribble Against America**

Lord Shelburne, as foreign minister, took the position that the former colonies in North America must be once again brought under the British yoke, but not through the deployment of military might or through claims of property title. For Shelburne, the battle cry of the New Venice/New Rome was "free trade."

As early as 1763, in a famous carriage ride from Edinburgh to London, Shelburne had commissioned two works from one of his East India Company scribblers, Adam Smith. First, he had commissioned Smith to prepare the research outlines for the study that would be later completed by another India House propagandist, Edward Gibbon, on the decline and fall of the Roman Empire—a study critical to Shelburne's commitment to establish a third Roman Empire headquartered in London. In addition, he ordered the preparation of an apologia for free trade, which Smith completed in 1776 under the title *The Wealth of Nations*.

In 1787, Shelburne's leading intelligence agent, Jeremy Bentham, went one better than Smith by publishing a series of letters from Russia that were assembled in a pamphlet titled *In Defense of Usury*. The final letter, addressed to Smith, chastized the India House economist for not going far enough in his embrace of unbridled monetary dictatorship. Bentham demanded an end to all restrictions on usurious interest rates, employing the liberal argument that suppression of usury stifles invention. Smith immediately wrote of Bentham's *In Defense of Usury*, "The work is one of a superior man."

Shelburne's own most eloquent plea for unbridled free trade and usury came during his brief tenure as prime minister from 1782 to 1783. Although he had formerly preferred to steer British politics from behind the scenes in his capacity as chairman of the three-man "Secret Committee" of the East India Company, Shelburne felt compelled to briefly take the formal reins of government in order to ensure the launching of his new British imperium.

### **'Destroy America With Free Trade'**

On Jan. 27, 1783, Shelburne stood before the House of Lords to argue for ratification of the Treaty of Paris, formally bringing to an end the American Revolution and the conflict with France and Spain. "You have given America, with whom every call under the heaven urges you to stand on the footing



*The burning of Newgate Prison in June 1780 was sparked by Lord George Gordon, Shelburne's agent provocateur. All the prisoners were freed, and joined in an assault on the Parliament building. A dress rehearsal for the storming of the Bastille in France nine years later?*

of brethren, a share in a trade, the monopoly of which you sordidly preserved to yourselves. . . . Monopolies, some way or other, are very justly punished. They forbid rivalry, and rivalry is of the very essence of well-being of trade. . . . I avow that monopoly is always unwise; but if there is any nation under heaven which ought to be the first to reject monopoly, it is the English. Situated as we are between the old world and the new, and between southern and northern Europe, all we ought to covet on Earth is free trade. . . . With more industry, with more capital, with more enterprise than any trading nation on Earth, it ought to be our constant cry: Let every market be open."

Shelburne's policy of unbridled free trade between Britain and the United States nearly destroyed the American republic in its cradle. Some of the American Founding Fathers clearly understood the danger in Shelburne's free trade ruse. They launched a crucial debate over the need for a strong Federal constitution. But for the *Federalist* debate and the resulting United States Constitution of 1787, Shelburne's scheme for rapidly bankrupting and re-absorbing North America into the British imperial domain, would have probably succeeded.

Alexander Hamilton was blunt in his *Federalist Paper* No. 11, published in November 1787: "The adventurous spirit . . . of America has already excited uneasy sensations in several of the maritime powers of Europe. . . . If we continue united, we may counteract a policy so unfriendly to our prosperity in a variety of ways. . . . Suppose for instance, we had a government in America, capable of excluding Great Britain from all our ports; what would be the probable operation of this step upon her politics? Would it not enable us to negoti-

ate, with the fairest prospect of success, for commercial privileges of the most valuable and extensive kind in the dominion of that kingdom?"

## **Shelburne Unleashes Jacobins Against France**

Even with matters still unresolved in North America, Shelburne and Bentham turned their attention to another critical front across the English Channel in France. The Seven Years' War of 1756-63 had stripped France of its once formidable maritime capacity. Shelburne now sought to destroy France as an economic and military rival on the continent. From the outset, the Jacobin Terror was a British East India Company-, British Foreign

Office-orchestrated affair. The bloody massacre of France's scientific elite was systematically carried out by French hands, manning French guillotines, but guided by British strings.

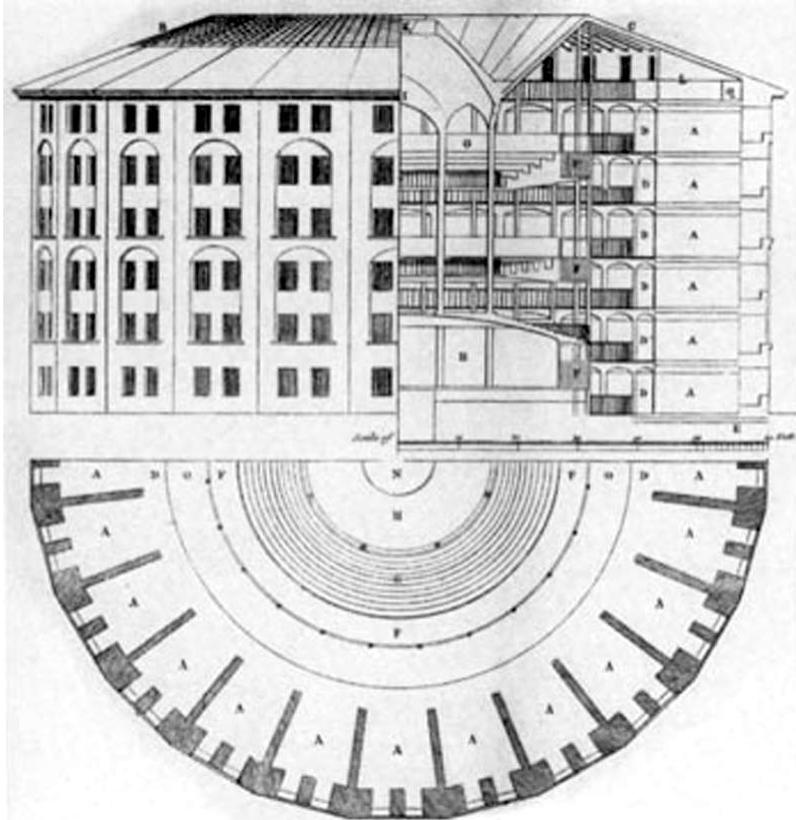
Jacques Necker, a Geneva-born, Protestant, slavishly pro-British banker, had been installed through the efforts of Shelburne's leading ally in France, Philippe Duke of Orléans, as finance minister. Necker's daughter, the infamous Madame de Staël, would later run one of Shelburne's most important Parisian salons.

Although Necker had failed to block France from allying with the Americans during the American Revolution, he did succeed in presiding over the depletion of the French treasury and the collapse of its credit system.

Economic crisis across France was the precondition for political chaos and insurrection, and Shelburne readied the projected destabilization by creating a "radical writers' shop" at Bowood staffed by Bentham, the Genevan Etienne Dumont, and the Englishman Samuel Romilly. Speeches were prepared by Bentham and translated and transported by diplomatic pouch and other means to Paris, where leaders of the Jacobin Terror, Jean-Paul Marat, Georges Jacques Danton, and Maximilien de Robespierre delivered the fiery oratories. Records of East India Company payments to these leading Jacobins are still on file at the British Museum.

## **Bentham's Slave Labor Scheme**

Bentham was so taken up with the events in France, that on Nov. 25, 1791, he wrote to National Assemblyman J.P. Garran offering to move to Paris to take charge of the penal system. Enclosing a draft of his *Panopticon* proposal, Ben-



Bentham's "Panopticon," a design for a slave labor prison for criminals, the indigent, the mentally retarded—and their children. The children's play would provide the energy to drive a factory.

tham wrote: "Allow me to construct a prison on this model—I will be the jailer. You will see by the memoire, this jailer will have no salary—will cost nothing to the nation. The more I reflect, the more it appears to me that the execution of the project should be in the hands of the inventor."

At the same time, Bentham was proposing to assume the post of chief jailer of the Jacobin Terror, which sent many of France's greatest scientists and pro-American republicans to the guillotine or to prison. Bentham made no bones about his loyalties: In accepting the honorary title of Citizen of France, Bentham wrote to the Jacobin interior minister in October 1792: "I should think myself a weak reasoner and a bad citizen, were I not, though a royalist in London, a republican in Paris."

Bentham's *Panopticon* scheme was a slave labor camp first designed by him in Russia in 1787 while he was visiting his brother, a Shelburne spy. Asked by Prince Potemkin, the prime minister of Catherine the Great, to help procure a steam engine to build up Russian industry, Bentham argued that human labor—not steam power—ought to be sufficient.

His design, complete with elaborate architectural drawings, called for criminals, the indigent, and the retarded—along with their children—to be placed in jail cells equipped

with primitive machinery run by a central power source, which in turn would be fueled by swings, merry-go-rounds, and see-saws in the children's cellblock. The energy expended by the children playing with the toys would drive the factory. A central guardroom equipped with two-way mirrors would permit one guard to oversee the slave labor of hundreds. Above the main door of the *Panopticon* was to be a sign, reading: "Had they been industrious when free, they need not have drudged here like slaves."

During his tour of Russia and the Ottoman Empire, when he devised his *Panopticon* scheme and wrote *In Defense of Usury*, Bentham wrote in his diary: "It is an old maxim of mine that interest, as love, should be free."

### 'In Defense of Pederasty'

It is therefore of little shock that we find Bentham also writing in 1785 an essay on the subject of pederasty. He dismissed the harsh penalties then in force against pederasty as the result of irrational religious fears born of the Old Testament destruction of Sodom and perpetuated by society's "irrational antipathy" to pleasure in general and to sexual pleasure in particular. Judeo-Christian morality, like every other expression of natural law, had no place in Bentham's world of pleasure and pain.

In the wake of the initial success in forcing France to its knees with the Jacobin Terror, Bentham sponsored several generations of philosophical radicals, ranging from his closest protégés, James Mill and John Bowring, to Mill's son John Stuart Mill, Thomas Carlyle, and David Urquhart. Carlyle, under the watchful eye of J.S. Mill, penned the official British history of the French Revolution, needless to say, burying the role of the Shelburne-Bentham cabal in that blood-soaked tragedy. Bowring, Bentham's long-suffering personal secretary, would later supervise the publication of Bentham's collected works in an 11-volume series; would serve as Lord Palmerston's agent-handler of the notorious Giuseppe Mazzini; and would instigate the Second Opium War against China from his post as emissary in Canton. Urquhart, one of the youngest of the Benthamites, would later become the agent-handler for Karl Marx.

Upon his death in 1832, Bentham's body was dissected and stuffed; his head was cast in bronze and placed at his feet, with a mask affixed in its place. For years, the mummified Bentham, seated in his favorite chair inside a glass case, was an ever-present participant in meetings of his radical circle. In the 1990s, the mummy would still enjoy a place of prominence at London University.