



Written by [Christian Gomez](#) on November 19, 2018

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## Senator George Malone: One Man's Fight Against the Global Trade Order

In the era of NAFTA and the World Trade Organization (WTO), it is easy to overlook the fact that countries once traded with each other without that trade being managed by multinational or international trade regimes. Regarding the United States, Congress exercised its constitutional powers to set tariffs (which are nothing more than excise taxes on foreign imports at their point of entry into the United States) and, in general, to “regulate commerce with foreign nations” (Article I, Section 8 of the Constitution).



But in 1934, Congress relinquished its constitutional responsibilities by transferring these powers to the presidency. And later in the century, once again with congressional approval, these powers have been shifted from the U.S. government to regional and international entities.

Over the years it has become increasingly apparent that this gigantic power shift is part of an organized plan to build a world government — often euphemistically called a “new world order” by its architects — step by step, and piece by piece. Put simply, the desirable goal of trading with other countries — something America has always done — is being used as a pretext for building regional “free trade” regimes on the way toward world government.

This subversive scheme, now well advanced, was not nearly so obvious when the power began to shift to the emerging new world order. Yet even in the post-WWII era, prior to NAFTA and the WTO, the scheme could still be detected by those rare individuals who had the foresight to unearth and examine the evidence, and to connect the dots. One such individual was Senator George Wilson Malone (R-Nev.), a name few remember today. Yet he should be remembered! On the floor of the U.S. Senate in the 1950s, he fought against the scheme, doing everything in his power to expose the planned world government and to keep powers belonging to the U.S. government in the hands of the U.S. government, and in particular, powers belonging to Congress in the hands of Congress — including the power to set tariffs and regulate trade with foreign nations.

Nor did Malone confine his fight to the floor of the U.S. Senate. Recognizing the importance of sounding the alarm bells among the American people, he wrote an important book entitled *Mainline* (1958), a book that is still invaluable reading and still in print today. Way back then, he was able to recognize that the still-embryonic international trade regime was part of a plot to ensnare the United States in a socialist one-world government under the guise of “free trade.” This is the story of his fight for America.

### Malone Who?

Born in Fredonia, Kansas, on August 7, 1890, Malone graduated from the University of Nevada at Reno



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in 1917. By trade, Malone was a civil engineer and served as Nevada's state engineer during the administrations of Republican Governors Fred Balzar (1927-1934) and Morley Griswold (1934-1935). He was president of the Nevada State Board of Registered Engineers and the Association of Western State Engineers. He also served as a member of the Public Service and Colorado River Commissions during the construction of the Hoover Dam.

After several unsuccessful runs for Congress, Malone was elected to the U.S. Senate in 1946, serving two full terms from 1947 to 1959. As a senator, Malone's primary hot-button issue was how U.S. trade policy threatened the sovereignty of our constitutional Republic. Unlike many Republicans today, or even many of his colleagues at the time, Malone came to understand the difference between a democracy and a republic, and would often correctly refer to the United States' form of government as a republic. In his first year in office, however, Senator Malone incorrectly referred to the United States as a democracy. Referring to the importance of owning private property, he said, in a speech at the Pines in Mineola, Texas, on July 22, 1948, "I think we have got to get back to this basic fundamental of life and the principles of democracy." However, he would soon learn and embrace the truth regarding our form of government. On October 27, 1952, Representative Katherine St. George (R-N.Y.), a cousin of former President Franklin Roosevelt, delivered a speech at a luncheon for the Washoe County Women's Republican Club, which both Senator Malone and his wife attended. In her speech, St. George emphasized how the United States was meant to be a republic rather than a democracy. "It was the will of the founding fathers to establish a republic, not a democracy, in this nation," she said. By the following year, Malone would always refer to the United States as a republic, not a democracy. During a speech delivered at a meeting of the Silver State Republican Women's Club in Reno on November 11, 1953, Senator Malone emphasized how the United States had a republican form of government, saying, "We should fight to keep it that way as outlined in the Constitution by our founding fathers."

In 1958, he authored a 126-page book entitled *Mainline*, detailing his observations and findings as a U.S. senator about how U.S. "free trade" policies are an "economic pincer" of a larger plot to ensnare the United States in world government. "The thesis which I present is that a pincers movement is now in operation both on the domestic and on the international scene, and that evidence shows that this movement bodes no good for us," Malone wrote in his book. "The evidence is at times clear. Often it is so subtle as to require considerable application to be unearthed. The first jaw of the pincers is political; the second is economic." Regarding the first pincer, Malone pointed to the UN and the NATO Pact, urging that the United States get out of both. However, it is the second pincer, the economic one, on which Malone focused most in *Mainline*. The objective of the pincers movement is to strategically bind the United States in what Malone surprisingly described and accurately predicted in his 1958 book as "the new world order."

## History of U.S. Tariffs

The first step in the pincers attack, according to Malone, was the transfer of Congress' power to levy tariffs — what the Constitution refers to as "Duties, Imposts and Excises" in Article I, Section 8 — to the executive branch in 1934. As Malone pointed out, "Authority for such levies was explicit in our Constitution; it was vested in the legislative branch." At the time of the Constitution's drafting "two schools of thought existed in the world of trade," Malone wrote. The first school was that of "free trade," favored by Britain. The second school advocated "protection."



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This debate had its proponents on both sides in America's early founding history. However, with virtually no industry, the newly independent America was economically vulnerable, and Britain sought to flood its markets with British products. In response, Congress voted to protect the country's "infant industries" in 1791. Although not the sole factor, protection, Malone contended, "was one of the factors, and an important one" that contributed to the growth of America's industries. In Malone's view, there are three legitimate reasons for tariffs: to raise revenue (especially true prior to the adoption of the progressive 16th Amendment, which allowed for an individual income tax in 1913), to protect domestic industries and agriculture, and to ensure national defense.

For nearly a century, Congress used its constitutional tariff powers to protect American industry and investors through a flexible duty or tariff that was continually adjusted in order to make up the difference between the cost of doing business domestically and in the chief competitive nation for each product.

Tariff rates fluctuated throughout the 19th century. The average tariff reached as high as 46.73 percent in the 1890s. During the Woodrow Wilson administration (1913-1921), Congress lowered tariffs "at an almost uniform rate of 3 percent per year, to 16.4%." But soon, three new factors entered into the trade equation: 1) foreign dumping of agricultural products below their production cost; 2) foreign governments devaluing their national currencies in order to circumvent duties; and 3) American farmers demanding Congress protect them from these practices.

In haste, Congress passed the Emergency Tariff Act of 1921 in order to protect American wheat, flaxseed, soybeans, vegetables, dairy, frozen meats, sugar, wool, cotton, and tobacco. The situation changed in 1934. According to Malone, "It was the year to which may be traced the first concrete evidence that there was a pincers, and that it had jaws." At the insistence of then-Secretary of State Cordell Hull, Congress agreed to "abdicate" its constitutional tariff power to the executive branch. Malone noted that Hull also, "years before — in the House of Representatives — had sponsored the bill which ultimately was to place in our Constitution the Sixteenth Amendment." Not only could Hull be credited with ushering in the new era of globalist trade policies, by empowering the president to set tariff rates and to enter into new trade agreements, he was also responsible for replacing tariffs with the individual income tax in order to fund the federal government. In turn, Hull was a critical figure in the history of U.S. trade policy and a key insider in the Deep State's quest for world government.

## **Trade Agreements Act of 1934**

The method by which Congress abdicated its constitutional tariff power was through the adoption of "An Act to Amend the Tariff Act of 1930" (H.R. 8687), also known as the Trade Agreements Act of 1934, which is sometimes called the Reciprocal Trade Agreements Act or Reciprocal Tariff Act. This legislation presented a massive transfer of Congress' constitutional trade powers to the executive branch. The act empowered the president to negotiate new trade agreements without congressional approval; it gave the president the final decision on whether to reduce or raise tariffs by no higher than 50 percent, under the Tariff Act of 1930 (more commonly known as "Smoot-Hawley"). President Franklin Roosevelt signed the Trade Agreements Act into law on June 12, 1934.

At the time, the Democrats faulted prior congressional tariffs for bringing world trade to a near standstill, going so far as to blame them for manufacturing plants closing at home and American jobs going overseas. Of the new trade act, Secretary Hull and the Democrats contended that it would be



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“reciprocal.” Despite the fact that the words “reciprocal” and “reciprocity” did not appear in the text of the act, the idea presented was that the enactment of the new act would enable the president to lower tariffs in order to negotiate new agreements, thus opening foreign markets and “freeing world trade,” and in turn restore economic prosperity and bring back American jobs. However, those manufacturing jobs once lost never came back as Hull and the Democrats promised. And even more jobs started leaving at an even faster rate than before. Industries hardest hit by the Trade Agreements Act and the United States’ subsequent entry into the General Agreements on Tariffs and Trade (GATT) were textiles, coal, shipbuilding, electrical machinery, chemical manufacturing, lead and zinc mining, and mercury, among others.

Initially, under the Trade Agreements Act, the president’s newly bequeathed tariff powers were limited to a period of three years. In order for the president to keep those tariff powers, Congress would have to pass an extension for another three-year period. In the years and decades following the original passage of the 1934 Act, Congress would continue to subserviently renew its abdication of powers to the president. However, during Malone’s career in the Senate, he would continually oppose such extensions.

On June 15, 1955, the morning after Congress voted for a conference report on H.R. 1, a bill extending the Trade Agreements Act for another three years, Senator Malone rose in opposition, comparing it to FDR’s virtual handover of Eastern Europe to Joseph Stalin and the Soviet Union at the Yalta Conference of 1945. In Volume 101, Part 6 of the *Congressional Record*, Malone was quoted on that day as saying from the Senate floor, “Mr. President, H.R. 1 is an economic Yalta,” warning, “It is worse than Yalta for this Nation. Yalta was simply a sellout of a friendly foreign people, while H.R. 1, extending the 1934 Trade Agreements Act for 3 years, is a sellout of American workingmen and investors, making us dependent upon foreign nations across major oceans for some of the critical materials without which we cannot fight a war or live in peace, and we could not get them during an all-out war.” Six days later, President Dwight Eisenhower signed H.R. 1 into law.

Although the 1932 Democratic Party platform originally promised that the Tariff Commission in Congress was to be “free from Executive interference,” instead, as a result of the Trade Agreements Act, it “became a body which was dominated by, and was completely subservient to the Executive branch,” according to Malone.

During the 1936 and 1940 presidential elections, the Republican Party ran on a platform of repealing the 1934 Trade Agreements Act. Between the 1936 and 1940 Republican Party platforms, the 1936 party platform was more strongly worded, stating:

We will repeal the present Reciprocal Trade Agreement Law. It is futile and dangerous. Its effect on agriculture and industry has been destructive. Its continuation would work to the detriment of the wage earner and the farmer.

We will restore the principle of the flexible tariff in order to meet changing economic conditions here and abroad and broaden by careful definition the powers of the Tariff Commission in order to extend this policy along non-partisan lines.

We will adjust tariffs with a view to promoting international trade, the stabilization of currencies, and the attainment of a proper balance between agriculture and industry.



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We condemn the secret negotiations of reciprocal trade treaties without public hearing or legislative approval.

However, after Republicans won back the majority in Congress in 1946, they did not repeal the legislation, although Senator Malone would subsequently and frequently introduce bills to repeal the act. Nevertheless, the Republican leadership had no real interest in repealing the previously enacted Democratic legislation.

Although Malone, being a Republican, noted that the Trade Agreements Act was originally enacted by a Democrat-majority-controlled Congress and a Democrat administration, he was not afraid to lay blame on his own party either. He not only opposed the extension of the Trade Agreements Act in 1955 from the Senate floor, he was also critical of his party for doing so. Referring specifically to the election of Republican President Dwight Eisenhower, Malone stated in *Mainline*:

When the Republican Party was returned to office in 1952, the identical theory was pursued, and identical results further accrued. *There was no discernable change*. Indeed, steps even more drastic were taken. And these steps followed the exact pattern which had been established under the 1934 Act. [Emphasis added.]

The “identical theory” to which Malone referred was the same as that pursued by FDR, Harry Truman, and Cordell Hull. It is, in the words of Malone, “the age-old theory of the supremacy of The State.” He elaborated, “The theory is that The State can do for a citizen what it determines he cannot do for himself; that The International State can do for our Nation what it determines we as a Nation are incapable of accomplishing ourselves.” Malone continued, “The theory, broadly speaking, is that the varying political structures of the world, and the varying economies of the world, can be molded into one coordinated whole.”

The application of this theory for merging the world’s different governments, economies, and standards of living “into one coordinated whole,” Malone warned, “required that a basic segment of the sovereign power of the people of the United States be removed from them and absorbed into the American executive.” In order to facilitate this global merger, the executive would have to become equal in power with traditional heads of state abroad. At that point, the president and foreign heads of state would come together at meetings that would be “truly international” and “what they determined was what would be,” Malone wrote. And the “first step” of this theory, according to him, “was accomplished when the Congress abdicated, in 1934,” with the passage of the Trade Agreements Act. Eisenhower and the majority of Republican lawmakers in the 1950s were just as responsible as FDR, Truman, and Democratic lawmakers throughout the 1930s and ’40s.

## **Have We GATT World Government?**

The second step in the pincers attack, as Malone further outlined in his book, was the executive branch’s transfer of its already unconstitutional tariff powers to international authority. That international authority would take the form of the United Nations Organization, along with its specialized agencies such as UNESCO, NATO, the International Bank and Fund, GATT, and the postwar proposed International Trade Organization (ITO). In both Congress and his book, Malone gave special



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attention to the ITO and GATT, recognizing them both as the principal international authorities in the second step of the “age-old theory,” serving as the “economic jaws” of the “pincers movement.”

Malone traced the origins of the ITO and GATT to what we now know as the “Deep State” — a cadre of globalists, Council on Foreign Relations members, communists, and fellow travelers working toward the development of a one-world government and economy. On the recommendations of Leo Pasvolosky (who would later coauthor the UN Charter with Alger Hiss) and Norman Davis, the then-president of the CFR (from 1936 to 1944), Secretary of State Cordell Hull created the Advisory Committee on Postwar Foreign Policy on December 22, 1941. In 1943, as Malone noted, the committee was dissolved and reorganized in the form of the Committee on Postwar Foreign Economic Policy. Then-Assistant Secretary of State Dean Acheson (future secretary of state under President Truman) was given “general supervision” over various sectors of the economy, including shipping, relaxation of trade barriers, commodity agreements and methods of trade, private monopolies and cartels, food and agricultural products, metals and heavy industries, petroleum, and rubber,” according to Malone.

On April 5, 1944, FDR authorized the creation of another committee, the Executive Committee on Economic Policy. Communist spies and fellow travelers Harry Dexter White and Lauchlin Currie served together with Acheson on this committee. In fact, White, as Malone noted, served on the Special Committee on Relaxation of Trade Barriers, and he also “sat on a Special Committee on Petroleum.” “White was also one of the key figures in setting up the World Bank,” Malone further noted. On November 23, 1944, Assistant Secretary Acheson announced that the official intention of the State Department would be “to seek an early understanding with the leading trading nations, indeed as many nations as possible, for the effective and substantial reduction of all kinds of barriers to trade.” Acheson further elaborated that a “trade conference of the United and Associated Nations should be held at the earliest practicable date for the negotiation of *an agreement for the reduction of all kinds of barriers to trade.*” (Emphasis added.) That “agreement” would eventually become GATT.

Next came the transfer of power. Citing the authority of the Trade Agreements Acts of 1934, President Truman issued a presidential proclamation on December 16, 1947, announcing the United States’ entry in GATT, effective January 1, 1948. Moving forward, GATT would hold the power of tariffs once held by Congress. At this point, the transfer of power had become international, according to Malone.

As for the charter of the proposed ITO, Malone observed, “The charter made it abundantly clear that a single entity was to be supreme. That entity was The State. Inherent in the charter of the ITO was an economic authority, itself composed of states. The authority could set up an economic government of the world.” At the time proponents of the ill-fated ITO charter said it would “free world trade.” According to Malone, the opposite was true. “It was found to be a charter for trade control,” Malone observed. Rather than freeing trade, “the charter did the opposite, and in scholarly accordance with socialist doctrine. The result of its adoption would have been economic socialism, on a global plane.” Of the various international organizations that make up the pincers movement, such as the ITO, GATT, International Bank and Fund, NATO, the UN, and UNESCO, Malone believed: “All these organizations would be essential if world government were the goal.”

## **America’s Mainline**

Malone’s book isn’t all doom and gloom. Just as Malone was able to recognize this coordination and where it was ultimately headed, he also left the reader with hope to overcome the application of the



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mentioned trade scheme. His solution was to reject the age-old theory of “Power-in-the-State,” which, as he contended, began with the passage of the Trade Agreements Act. He did not recommend the passage of any new law, mere opposition, or an Article V “convention of states” in order to rein in big government through a new constitutional amendment, to give Congress the power over trade. Instead, among his solutions was for state legislators to pass resolutions demanding Congress to take back the tariff powers that it already has in the Constitution. Malone placed a strong emphasis on the Constitution and the importance of abiding by it. His whole objective was to get Congress and the executive branch to abide by it, not change it as they were doing in practice by ignoring it. In fact, Malone concluded his book with a call to action not dissimilar from that of The John Birch Society. Malone wrote:

We have called the old-world concept simply “Big Government”, and it must go.

How? Bring back to the City Hall, to the County Court House, to the local school board, to the Legislature and to the Governor of each sovereign State, to the Congress and to the Judiciary, the powers which rightly and properly belong to each — and only those powers which rightly and properly belong to each. Once more in its rightful place, the exercise of those powers can be separately controlled — by the voting citizens who choose and elect the personnel.

In other words, the solution lies in electing constitutionalists to all levels of government. Malone even offered the following two-part question for citizens to ask candidates in order to determine whether or not they merit their vote:

Will you vote in favor of every bill which takes back to your body the power(s) delegated to it by our Constitution; will you vote against every bill which adds to (or even continues) power(s) not expressly delegated by the Constitution to another branch of Government?

Malone also noted that a constitutional majority can be won in Congress within six years — four years in the Senate and two in the House. And as The John Birch Society has frequently emphasized, Malone likewise stated in his book, “And the House holds the Constitutional power of the purse.” The House of Representatives is the key, and it is winnable only through a properly informed electorate.

Despite being published in 1958, the same year as the founding of The John Birch Society, *Mainline* is a foundational read. After 60 years, *Mainline*’s message remains relevant and timely. Anyone wanting to understand the background and goals of the Deep State and its international trade regime (i.e., WTO, TPP, T-TIP, NAFTA, USMCA, etc.) ought to remember George Malone and add *Mainline* to his reading list. In fact, *Mainline* was on the original JBS list of books for members to read recommended by JBS Founder Robert Welch in the early issues of the *JBS Bulletin*.

After an unsuccessful run for a third term in the Senate, Malone stayed in Washington, D.C., and resumed his private engineering practice. On May 19, 1961, Malone died of cancer. His focus on the Deep State’s “free trade” policy and its disastrous effects on the nation’s sovereignty was perhaps his greatest contribution.

Malone was well aware of a conspiracy to destroy the country, projecting the lines of the Deep State’s



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“free trade” agenda and how its end goal was, and still remains, a socialistic one-world government and economy. In many ways, Malone was Birching even before there was a John Birch Society, which makes it no surprise that Welch recommended that JBS members read *Mainline*. Now, as the Deep State inches even closer toward regionalization and world government, the value of Malone’s work, analysis, and book cannot be overstated. First-edition originals from 1958, hardcover and paperback, are available on used bookstore websites such as AbeBooks.com. In 2012, Literary Licensing, LLC reprinted a hardcover and paperback version that is currently available on Amazon. Readers will be amazed at how, for a succinct understanding of when, where, and how our current trade policies and international trade system came to be and where they are headed, *Mainline* is still timely and relevant even after 60 years.



*Photo: U.S. Senate Historical Office*

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