



# The Communist Agent Who Caused Pearl Harbor — and Global Economic Havoc

"More than seven decades ago, on a calm Sunday morning, our Nation was attacked without warning or provocation.... On National Pearl Harbor Remembrance Day, we honor the men and women who selflessly sacrificed for our country, and we show our enduring gratitude to all who fought to defend freedom against the forces of tyranny and oppression in the Second World War."

 President Barack Obama, National Pearl Harbor Remembrance Day Proclamation, December 07, 2013

President Obama's Pearl Harbor remembrance proclamation is little different from those of his White House predecessors. Today, however, a great deal more is known than was known in previous years about the secret maneuverings and treasonous activities at the top levels of the Roosevelt administration that caused the Japanese attack on our naval forces at Pearl. Documents released from the decoded Venona Files, from the Soviet KGB archives, from our own National Archives, and memoirs of Soviet officials now confirm what noted anti-communist writers, Congressional investigations, Communist Party defectors, and FBI documents had stated for decades: Harry Dexter White (shown), assistant secretary of the treasury in the administration of Franklin Delano Roosevelt, was a top Soviet spy and agent of influence who not only caused incalculable harm to the United States, but also materially assisted Soviet dictator Joseph Stalin's spreading of terror and tyranny throughout the entire world.

Harry Dexter White, a top advisor to Secretary of the Treasury Henry Morgenthau, Jr. and President Franklin Roosevelt, is remembered chiefly as the architect of the Bretton Woods Conference that created the International Monetary Fund (IMF) and World Bank, but he also played a key role in bringing about the "Day of Infamy," by doing everything within his power to scuttle the peace efforts of the forces within the Japanese government that were striving to avoid war with the United States. White authored an ultimatum adopted as official policy by FDR that upped the ante of belligerent acts Roosevelt was directing at Japan.

White's plan was calculated to inflame public opinion in Japan and undermine Emperor Hirohito and Prime Minister Prince Fumimaro Konoye, both of whom favored peace with the U.S. It was also aimed at guaranteeing the rise to power of Japan's political forces that were beating the drums for war. This is precisely — and predictably — what happened. However, White did not undertake this move on his own initiative, it is important to note, but as a directive of the NKVD (an earlier name for the Soviet KGB). His Kremlin bosses were most anxious for assurance that Japan would not attack the Soviet Union; they thus expended great efforts through their spy and propaganda networks in Japan, Europe, and the United States to ensure that Japan would strike America, rather than the U.S.S.R.

Interestingly, one of the most recent admissions concerning White's crucial role in this comes from



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Benn Steil, senior fellow and director of international economics at the Council on Foreign Relations (CFR). In the decades since World War II, the CFR's very influential members in government, the media, and academe have been in the forefront of the efforts to debunk factual anti-communist charges of rampant Soviet penetration of the top levels of the American government. The CFR choir could always be counted on to defend Alger Hiss, the Rosenbergs and their fellow "atomic bomb spies," the Red China Lobby, and the many other Communist agents exposed operating in the top echelons of federal agencies. And the same CFR intelligentsia could be just as dependably relied upon to denounce as "McCarthyites" any responsible patriots who attempted to force officialdom to investigate, remove, and/or prosecute traitors in our government, especially those in positions most sensitive to our national security.

Benn Steil's book, *The Battle of Bretton Woods: John Maynard Keynes, Harry Dexter White, and the Making of a New World Order*, published earlier this year by the CFR and Princeton University Press, makes some important concessions concerning White's NKVD operations. As the book's title suggests, the main focus of Steil's attention deals with White's central role in designing and implementing the plan to establish the International Monetary Fund and World Bank and the post-war economic order.

However, in Chapter Two of his book, Steil discusses White's crucial role as a Soviet agent in the decisions and events that brought about the Japanese attack on Pearl Harbor. Steil writes:

"We sighed a deep sigh of relief," recalled the head of the American desk of the NKVD Intelligence Directorate, Vitali Pavlov. Yet this was not merely cheerleading from the sidelines. Pavlov had, secretly, been part of the game.

The Japanese decision to attack Pearl Harbor was the culmination of a series of critical political developments and, clearly, no single event, no single action, and no single individual can be said to have triggered it. Nevertheless, the most proximate cause has the curious connection with Pavlov and his most important American contact, Harry Dexter White.

Steil notes that, as a result of White's fierce lobbying, FDR "authorized [Secretary of State] Hull to present the Japanese with what became known as the Ten-Point Note. Hull summoned Nomura and Kurusu on November 26 to deliver the austere ultimatum, incorporating White's demands on China, without concessions. An alarmed Kurusu told Hull that the Japanese government would 'throw up its hands' if presented with such a response to their truce proposal. Hull did not waiver. The collision course had been set."

And Soviet agent Harry Dexter White had set that course. Steil comments:

That White was the author of the key ultimatum demands is beyond dispute. That the Japanese government made the decision to move forward with the Pearl Harbor strike after receiving the ultimatum is also beyond dispute.

Steil notes that "the Soviets, American allies in the European war, were anxious to ensure that such an attack did take place." He quotes Soviet spymaster Vladimir Karpov in this regard:

"The war in the Pacific could have been avoided," wrote retired GRU military intelligence colonel and World War II "Hero of the Soviet Union" Vladimir Karpov in 2000, nearly sixty years after Pearl Harbor. "Stalin was the real initiator of the ultimatum to Japan," he insisted.

How was that possible? Steil allows Karpov to explain:

"Harry Dexter White was acting in accordance with a design initiated by [NKVD intelligence official







Iskhak] Akhmerov and Pavlov," Karpov argued. "[White] prepared the aide-memoire for signature by Morgenthau and President Roosevelt." The Soviets had, according to Karpov, used White to provoke Japan to attack the United States. The scheme even had a name, "Operation Snow," snow referring to White. "[T]he essence of 'Operation Snow' was to provoke the war between the Empire of the Rising Sun and the USA and to insure the interests of the Soviet Union in the Far East.... If Japan was engaged in a war against the USA it would have no resources to strike against the USSR."

Steil's book allows only five pages to cover this abominable act of treason and Steil can't quite seem to muster the moral outrage to unequivocally condemn White as a traitor; like too many other intellectuals, he is inclined to explain away the treachery by suggesting that perhaps White's motives were good, even if somewhat muddled and misguided. To be sure, Steil is not an outright apologist for White, as is Prof. James Boughton, the recently retired historian for the IMF, or R. Bruce Craig, author of the 2004 defense of White, *Treasonable Doubt: The Harry Dexter White Spy Case*. Steil even takes Boughton to task in the book for his obstinate refusal to admit White's espionage, in the face of overwhelming evidence proving it. (Steil develops this argument against Dr. Boughton in more detail in an August 15, 2013 article in *Forbes* here).

White's infamous role in provoking the attack on Pearl Harbor is told in gripping detail in *Operation Snow: How a Soviet Mole in FDR's White House Triggered Pearl Harbor* by military historian John Koster (published by Regnery History, September, 2012) sans the moral equivocation of Steil.

The Steil/CFR admissions concerning White's treason on behalf of Stalin's Russia don't signal any truth-telling trend from the disinformation artists at the Pratt House brain trust. Rather, they have merely adopted a new fallback position dictated by circumstances. They are sophisticated enough to realize that with all of the corroborating evidence that has surfaced in recent years, they risk losing all credibility by sticking to the Boughton/Craig denialist position, which has been the main position of the CFR thought cartel for the past six decades. Back when it mattered most, in the 1940s and '50s, when courageous civil servants, diplomats, military personnel, elected officials, and private citizens heroically fought to expose the Communist operatives in our government, the leading lights of the CFR did all within their considerable powers to squash any real investigations and exposure. Soviet agents such as Whittaker Chambers, Elizabeth Bentley, and Louis Budenz, who had defected from the Communist conspiracy and testified against their former comrades, were smeared far more effectively by the CFR-dominated press than by the communist press. Ditto for leading senators of the Senate Internal Security Subcommittee and the congressmen of the House Committee on Un-American Activities.

Now, at the safe remove of seven decades, the CFR has decided it can afford to acknowledge (partially) what it previously strove mightily to deny, cover up, suppress, and discredit, especially since it can now put its own spin on the perfidy. Soviet agent Alger Hiss, the top State Department adviser, is the most notorious of the Communist moles that were imbedded in the federal government. The lesser-known White, arguably, was more important than Hiss. Whittaker Chambers hinted at this in a December 29, 1953 article for *Look* magazine. "Harry Dexter White's role as a Soviet agent," Chambers wrote, "was second in importance only to that of Alger Hiss — if indeed it was second."

The evidence that has come out since that time indicates that White was certainly of equal, if not greater importance, than Hiss. Of course, FDR's advisor, friend, and confidante Harry Hopkins — another Soviet agent — is also in the running with them for most important traitor.

What Steil and his CFR colleagues are not in a hurry to bring up are the uncomfortable connections



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between their organization and the Soviet network of which Hiss, White, and Hopkins were prime exemplars. In addition to Hiss, Soviet agents Laughlin Currie (an FDR White House economic adviser) and Laurence Duggan (at the State Department) were CFR members. Far more important as an indictment of the CFR than the fact that their membership includes some very notorious traitors is the role played over the years by key CFR luminaries to aid and abet the traitors and to stop all efforts to expose them.

In addition to his perfidy in helping bring about the Pearl Harbor attack, White was also responsible for carrying out the following acts of treason to aid Stalin's Communist regime:

- White was the primary author of what became known as the "Morgenthau Plan" to strip a defeated Germany of all industry and transform it into an agricultural society. The plan was leaked by Treasury (most likely by White) and was used by Nazi Germany to stiffen resistance of the German people and armed forces on the Western front. This undoubtedly prolonged the war and contributed more casualties to American and Allied forces, while also making many Germans more sympathetic to the Soviets.
- White brought other Communist agents into the U.S. government, got them promotions, and repeatedly scuttled investigative efforts and attempts to expose and remove them.
- White provided the Russians with the actual printing plates, colored inks, varnish, tint blocks and special paper to enable them to counterfeit the Allied occupational currency for Germany, allowing them to flood the country with currency that U.S. taxpayers were forced to redeem.
- Through the infamous Lend-Lease program, White helped facilitate the transfer of billions of dollars in aid to Stalin.
- When Stalin requested a \$6-billion loan in January of 1945 White upped it to \$10 billion, and at better terms. Russia's request had been that it be for 30 years at an annual interest rate of 2.25 percent. White proposed the larger sum with a more generous 35-year payment period at only two percent. Plus, he proposed that the U.S. grant an additional \$1 billion at no interest.
- While providing the Communists with every possible assistance, White was doing everything possible to cut off aid that had been appropriated by Congress to assist our ally Chiang Kai-shek's anti-communist government in China. White was a key operative in treachery that pushed China into Communist hands.
- As the chief architect of the 1944 Bretton Woods monetary conference, he designed the IMF and World Bank, the economic instruments that have been used to destroy national sovereignty, encourage global inflation, and wreak monetary havoc. White was appointed American director of the IMF and his co-conspirator in the Silvermaster spy cell, Virginius Frank Coe, was named secretary of the IMF.
- In 1945 White joined Alger Hiss in San Francisco for the founding of the United Nations. Hiss was in charge as the secretary of the conference. Other Soviet agents whom he had named as American delegates included Noel Field, Harold Glasser, Irving Kaplan, Nathan Gregory Silvermaster, Victor Perlo, and Henry Julian Wadleigh. Decoded Venona messages show that while in San Francisco White transferred information to Vladimir Pravdin, a KGB officer who was posing as a correspondent for the Soviet news agency TASS.

In the coming year, 2014, as the IMF and World Bank celebrate their 70th anniversary, it will be important to remember their paternity. The ghosts of Harry Dexter White and his fellow conspirators



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who fashioned these institutions and the post-war global monetary system continue to haunt us, threatening the financial stability, prosperity, and liberty of every nation and person on this planet. As the articles listed below from *The New American* demonstrate, the Council on Foreign Relations continues to push for transforming the IMF with vast new powers, something Harry Dexter White, no doubt, would heartily approve of.

Photo of Harry Dexter White testifying before the House Committee on Un-American Activities on August 13, 1948: AP Images

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