AMERICA WAKE UP, Broadcast No.9

TRADE: A WEAPON IN THE COLD WAR

ANNOUNCER: AMERICA WAKE UP, in cooperation with the Daughters of the American Revolution, State of Illinois, presents Phyllis Schlafly:

MRS. SCHLAFLY: There is a new and popular theory which has been cooked up by the strategists in the State Department on what to do about Communism. This theory goes like this: We must increase our trade with the Communist bloc, particularly in consumer goods, so that this trade may possibly create massive consumer demands from the people under Communist rule. Then, according to this theory concocted by the State Department, the Communists will have to pay so much attention to supplying their people with consumer goods that they will have no time for their avowed goals of world conquest.

This theory, which has not the slightest basis in fact or reality, could only have been conjured up by the same State Department men who told us that the Chinese Communists were just "agrarian reformers", and that Castro was the Robin Hood of Cuba. This theory shows woeful ignorance of the Communist strategy laid down by Dimitri Manuilski at the Lenin School of Political Warfare: "The capitalistic countries, stupid and decadent, will rejoice to cooperate in their own destruction. They will leap at another chance to be friends. As soon as their guard is down we shall smash them with our clenched fist."

The original impetus for trade between the United States and Iron Curtain countries came from the Communists in order to induce us to fall for the line of "peaceful coexistence". In 1958 the American Bar Association Committee on Communist Tactics, Strategy and Objectives reported that the drive for "East-West trade" was one of the major current Communist tactics. The following year, Khrushchev opened his drive for increased trade with the United States with a long letter to

President Eisenhower in 1958, in which he brazenly suggested that the U.S. grant the Soviet Union long-term dollar credits in order to finance this trade. Trade was the chief objective of the Mikoyan and Kozlov visits, and of the grins of Ambassador "Smiling Mike" Menshikov. The official Communist magazine, POLITICAL AFFAIRS, boasted that one of the results of Khrushchev's visit to the United States in 1959 would be removal of some of the restrictions on U.S. trade with Communist countries. Since then, Red super-salesmen have been running all over Asia, the Near East and the Western Hemisphere trying to drum up trade agreements.

Eversince Khrushchev made his bid for trade with the West, advocates of the soft-line toward Communism have been trying to push through Congress an amendment to the Battle Act of 1951 which forbids shipment of arms or material to any Communist-dominated nation. This crippling amendment was passed twice by the Senate, but fortunately up to the present time has been stopped in the House of Representatives. If passed, this amendment would allow the President to extend and expand aid to every Eastern European country under Communist control, and allow foreign nations to increase trade with the entire Soviet European bloc and still receive American aid.

In one of the debates in the Senate on this amendment to the Battle Act, Senator Styles Bridges predicted that American aid will be used by the Red governments to strengthen their grip on the oppressed peoples. He said: "This takes me back to 1940 and 1941 when some of us fought against sending scrap, steel and aviation gasoline to Japan. That helped kill American boys. We were beaten down then as we resisted giving assistance to a sworn enemy of the U.S. We are now moving in the same dangerous direction."

The idea that we can kill Communism by stuffing it to death with consumer goods is not just the private brainstorm of some unknown writer. It is the central thesis of a secret report written by Undersecretary of State George W. Ball and co-authored by top Administration officials who are presently advising the White House on trade policy. Although parts of it have been leaked to the press, this Ball Report has never been released and Undersecretary Ball has refused to make it available to the House Select Committee on Export Control. The Ball Report comes out flatly for increased trade with the Soviet bloc and the crippling of the Battle Act.

The greatest weakness of Communist governments is their inability to provide enough consumer goods. This is why the Russians have to eat horse meat and have less beef than under the Czars. This is why Cuba has rationing and shortages in necessities of life unknown in pre-Castro days. Members of the House Select Committee on Export Control feel strongly that an increase in trade of consumer goods will more likely strengthen than weaken the Communist bloc. What sense, these Congressmen ask, does it make for America to supply the Reds with the very commodities they so desperately need? Wouldn't it be more reasonable to tighten the embargo on Communist countries -- even on food -- so they will be forced to divert manpower and machinery from military and heavy industry, to agriculture and the manufacture of consumer goods?

The House Select Committee on Export Control disclosed earlier this year that our present soft-line toward Communism has resulted in the fact that the United States has, in effect, been paying for Soviet jeeps and heavy-duty trucks to be used by Communist Cuba. The way this fantastic situation came about is this: The World Health Organization

supplied Castro with 16 two-ton heavy-duty Russian trucks and 32 four-wheel-drive Russian jeeps under WHO's Malaria Eradication Special Account. Soviet Russia refused to make the jeeps and trucks available to WHO unless WHO guaranteed that the vehicles would go to Cuba and no other country. The UnitedStates made no protest even though we paid 90 per cent of the bill for these same Russian trucks and jeeps!

Lenin has been quoted as having said that the capitalists are so eager for trade that they would sell him the rope he would use to hang them. Some of our appeasement-minded allies seem eager to fulfill this prophecy. Britain sold Russia the superb Rolls-Royce jet engines which were used to power the MIG-15's against us in Korea. In 1959, Britain signed a 5-year trade agreement under which she will sell Russia complete chemical, synthetics, tire, and food-processing plants, all of which the Reds badly need to strengthen their war machine.

"Trade with the Soviet Union and other Communist nations is a one-way street that can lead only to the ultimate destruction of the United States economy." This is the consensus of the many experts who have testified before the House Committee on Un-American Activities. One of these experts, Christopher Emmet, testified that: "To Communists, all trade is subservient to their political objectives. Goods are weapons, just as words are weapons." Anthony J. Marcus, President of the Institute of Foreign Trade in New York, testified that "From the very beginning the Soviet Union started to use trade as a weapon to harm their non-Communist adversaries. They will buy and sell to people where they can get the greatest advantage -- not in money, but in infiltration, subversion, and the stealing of technological know-how."

These and other authorities tell us that "trade with the Red bloc would be ruinous to the United States and all free nations" for the

following reasons: (1) The Communists will buy one machine of each of the latest American inventions, persuade us to give them the blueprints and shop drawings, then copy the model themselves. (2) It is impossible to differentiate between strategic and nonstrategic trade. Because of the Communist concept of "total war", everything from a machine tool to a food plant is strategic. (3) The Communists use economic interchange to advance their conspiracy because "they send buying commissions which are really spying commissions." (4) Because they produce with slave labor, the Communists "will take food out of the mouths of their own people ... in order to undersell their No.1 enemy, the United States. They respect no costs. A motorcar costing them $4,000 to produce, they will sell for $1,000 abroad if it is going to help destroy the American foreign trade."

Mr. Marcus was asked his opinion about the often-heard argument that "trade is the safest means of promoting peace." He answered: "How well has trade ever helped promote peace? Let's take the example of Germany. With the possible exception of Great Britain, Germany has enjoyed with us the largest share of trade throughout the generations, and not only trade, but in the arts, sciences, and music, to say nothing of the fact that over 20 million Americans, former immigrants or of immigrant parents, have maintained close relations with the country of their origin. Yet within one generation, we have had two bloody wars with Germany."

On the local scene, it is easy to spot the effects of trade with Communist countries. The stores in most communities have ample supplies of merchandise from Red Poland, Red Hungary, Red Czechoslovakia, and Red Yugoslavia, such as baskets, canned hams, coat hangers, cutting

boards, wooden spoons and forks, and rolling pins. These slave labor goods can undersell American goods because the Communists don't have to show a profit; they are so eager to obtain dollars in the international market that they can afford to sell at less than cost. The American dollars received can then be used to finance Soviet espionage, subversion and infiltration throughout Latin America.

Few Americans realize the large volume of Communist imports coming into the United States at the present time. The official U. S. Department of Commerce report issued in May 1962 shows that the following amounts of merchandise were imported during 1961: $450,290 from Red Czechoslovakia; $3,411,678 from Red Poland; $4,297,466 from Red Yugoslavia; $861,188 from Red Russia; $62,046 from Red East Germany; $81,929 from Red Hungary; $33,602 from Red Romania; $38,442 from Red Bulgaria; $21,572 from Red Albania; $1,477,396 (mostly tobacco) from Red Cuba; $321,382 from Red Outer Mongolia. In addition, these other items were imported but no dollar value was reported: 20,014 pounds of cotton sheeting; 7,432 pounds of cotton raincoats; 5,027 pounds of cotton coats; 39,683 pounds of wool (Duty free) from Red Yugoslavia; 190,022 pounds of Cashmere Goat hair from Red Outer Mongolia; 2,205 pounds of Angora Rabbit hair from Red Czechoslovakia.

Gerry McManus, who was on the Central Executive Committee of the Canadian Communist Party for 19 years and who was National Secretary of the Canadian Seamen's Union before breaking with the Party in 1950, said at Mackinac in June 1959: "For the Communists, trade is an ideological weapon. If you deliver even ten percent of your national trade to the Communist world, you give them the perfect chance to create a crisis in your country any time they wish to pull the economic rug from under you.

For ideological reasons they are prepared to undersell any commodity on the world market. If you refuse to listen to me, then at least have the common sense to listen to Lenin who said, "When the capitalist world starts to trade with us -- on that day they will begin to finance their own destruction.'"

ANNOUNCER: The National Society, Daughters of the American Revolution, maintains an outstanding Museum located at 1776 D Street, NW, Washington, DC, which is open free to the public and is housed in Memorial Continental Hall, one of the most beautiful buildings in our nation's capital. The museum is limited to articles from the Colonial, Revolutionary and Federal periods (1607-1830) which have artistic merit or historic value. The collections include jewelry, china, glass, silver, pewter, wooden and tole ware, clothing, toys, paintings, furniture, military equipment used in the Revolutionary War, and a 13-star Flag which went through some of the battles of the Revolution. Many of these articles belonged to the Founding Fathers and their families. The DAR cordially invites you to visit the DAR Museum on your next trip to Washington and thereby become better acquainted with the culture and life of the American Revolutionary periods.

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