



The Council on Foreign Relations

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A look at four of its most influential officials

Members of prestigious organizations like the Council on Foreign Relations (CFR) and the Trilateral Commission (TC) have employed different tactics over the years in responding to criticisms of the role the two groups have played in shaping American foreign policy along internationalist lines. One tactic is the tongue-in-cheek remark. “The Trilateral Commission doesn’t secretly run the world,” said former CFR President Winston Lord. “The Council on Foreign Relations does that.” The comment causes chuckles and is designed to neutralize criticism.

Another tactic is to have a sympathetic talk-show host frame the question in such a way that the accusation has already been dismissed as ridiculous before the guest even has a chance to reply. While interviewing Winston Lord on his **Firing Line** program in March 1982, CFR member William F. Buckley Jr. read this quotation from “a right winger” named Dan Smoot: “The ultimate aim of the Council on Foreign Relations is the same as the ultimate aim of international Communism: to create a one world socialist system and make the U.S. an official part of it.”

Now, said Buckley to Lord, “you know that not to be true, and as a matter of fact, I know it not to be true, but what is it that gave grounds for somebody thinking this?” Mr. Lord: “You’d have to ask Mr. Smoot. I am completely puzzled.” A careful reading of Dan Smoot’s scholarly and definitive book on the CFR, **The Invisible Government**, would clear up this puzzlement if Lord were truly puzzled.

A third tactic is to play down the influence of these groups and to portray them as private organizations trying to help their government deal with difficult world problems. Writing in the **Wall Street Journal** on April 30, 1980, David Rockefeller, who at the time was chairman of both the CFR and the Trilateral Commission, said that “far from being a coterie of international conspirators with designs on covertly ruling the world, the Trilateral Commission is, in reality, a group of concerned citizens interested in fostering greater understanding and cooperation among international allies.”

But whatever tactics CFR members use, they cannot change the fact that members of the organization have dominated U.S. foreign policy for decades. “Whenever we needed a man [in Washington], we just thumbed through the roll of Council members and put through a call to New York,” said John J. McCloy, chairman of the CFR from 1953 to 1970 and advisor to nine Presidents of the United States. It is hardly coincidence that every Secretary of State since the end of World War II, with the exception of James F. Byrnes, has been a member of the New York-based group. Or that the CFR can boast that as of June 30, 1985, 262 of its members were holding U.S. government positions.



In the CFR's annual report for 1978-1979, then-President Winston Lord said that "the charter of the Council on Foreign Relations is ultimately to help check 'momentary passion' and shape a 'mature design' for America's place in the world." That "mature design" surfaced in the CFR journal **Foreign Affairs** in July 1947, when CFR member George F. Kennan advanced the policy of "containment" of Communism. Though that bankrupt policy has proven to be nothing less than acquiescence in Soviet conquests around the world, it remains a pillar of the U.S. foreign policy establishment today.

Other elements of the CFR's "mature design" have included appeasement of Communist aggressors, aid to and trade with the enemies of freedom, betrayal of anti-Communist allies, sacrifice of American sovereignty, adherence to a bizarre theory known as Mutual Assured Destruction (MAD), and reduction in U.S. military strength. Winston Lord can say all he wants that "the overall weight of our deliberations tends toward the center," but the fact is that when a CFR member moves into a government post the overall weight of his policy is decidedly to the left.

While there are many CFR officials whose careers could be discussed as illustrations of the far-from-benign influence of the organization on American affairs, it should suffice to consider the roles played by John McCloy, Winston Lord, David Rockefeller and Peter G. Peterson. Lord, Rockefeller and Peterson are also members of the more exclusive Trilateral Commission, which Mr. Rockefeller founded in 1973.

John J. McCloy

Writing in the February 1983 issue of **Harper's** magazine, Harvard Professor Alan Brinkley said that John McCloy has been called by many people "the most influential private citizen in America." The characterization is not without substance since the 90-year-old McCloy, who joined the CFR in 1939 and continues as its honorary chairman at this writing, was in Brinkley's words long "a pillar of the corporate world and a key figure in American foreign policy." The biographical highlights alone indicate the broad influence of this man.

Having begun to practice law in 1921, John McCloy worked for a New York firm that was instrumental in manipulating U.S. diplomatic recognition of the Soviet Union in 1933. He was Assistant Secretary of War from 1941 to 1945 and approved an order in 1944 permitting Communists to be officers in the U.S. Army. After serving as president of the World Bank from 1947 to 1949, McCloy was U.S. High Commissioner in Germany from 1949 to 1952, chairman of the Chase Bank from 1953 to 1961, and disarmament advisor to President Kennedy in 1961.

McCloy was also president of the powerful Ford Foundation, a major financier of leftist groups; director of more than a dozen major U.S. corporations; a member of the Warren Commission that investigated the assassination of John Kennedy and, in the process, left more questions than it answered; a senior partner in the New York law firm that handled the interests of the Rockefeller family and the Chase Manhattan Bank; chief counsel to the major American oil companies; one of three men who persuaded President Carter to admit the deposed Shah of Iran to the United States, an act that triggered the seizure of U.S. hostages in Teheran; and a member of Ronald Reagan's



transition team in 1980.

Other McCloy accomplishments include his defense of Communist spy John Carter Vincent; his support of J. Robert Oppenheimer *after* Oppenheimer had been branded a security risk; his chairmanship of the Atlantic Institute, a preliminary step on the road to world government; and his chairmanship of the Council on Foreign Relations from 1953 to 1970. "Presiding over the nation's most important foreign policy organization," said Alan Brinkley in *Harper's*, "he was able not only to organize members of his own generation to influence policy, but to help determine which members of the next generation would rise to prominence." One of McCloy's recruits in 1956 was a little known Harvard instructor named Henry Kissinger.

Winston Lord

If Henry Kissinger owes the promotion of his career to John McCloy, Winston Lord can thank Kissinger for his rapid rise up the foreign policy ladder. Lord, 48, a graduate of Yale and the Fletcher School of Diplomacy at Tufts University, worked on Kissinger's National Security Council staff from 1969 to 1973 and was director of the State Department's policy planning staff while Kissinger was Secretary of State from 1973 to 1977. He traveled nine times to the Soviet Union with his mentor and six times to Communist China, accompanying Kissinger on that now-famous secret flight from Pakistan to Red China in July 1971. Fifteen years later, Lord is U.S. Ambassador to Communist China.

From 1977 to 1985, Winston Lord had the priceless opportunity to rub shoulders with many of the world's movers and shakers in his role as president of the CFR. "Win's experience at the Council on Foreign Relations will undoubtedly contribute to his success as the President's emissary to the People's Republic of China," said David Rockefeller. In his farewell message to the Council, Lord paid tribute to Rockefeller for having "accomplished so much, for so long, in so many arenas by not only being good at what he did but also in being good." He also touched another important base by declaring that "Jack McCloy was one of my heroes long before I joined the Council. His service to the country and this body has been a steady inspiration."

In his annual reports to the Council membership, Lord reiterated two points that are worth mentioning: the ability of the CFR to put its people in important government jobs, and the "singular convening power" of the organization. Regarding the latter point, he said in the 1983-1984 **Annual Report**: "Foreign and American spokesmen come readily to meetings in New York, Washington and elsewhere in order to reach a diverse and influential audience For example, this season our schedule included 10 current and recent heads of state, 10 foreign ministers, 5 economic ministers, and 2 defense ministers."

As for the first point, Lord could not resist crowing a bit in the 1978-1979 **Annual Report** when he wrote: "It is a great tribute to the Council that successive Administrations in Washington continue to look to members of this organization for people to fill key positions. In restructuring his Administration this July, President Carter selected three [CFR] Directors for vital posts: Paul Volcker as Chairman of the Federal Reserve Board, Hedley Donovan as Senior Advisor on domestic and



foreign policy and media relations, and Lloyd Cutler as Counsel to the President.” Lord was equally pleased in 1982 when he said that having CFR Director George Shultz appointed Secretary of State was “probably the least painful way to lose a prized member of the Board.”

Winston Lord’s successor as CFR president is Peter Tarnoff, who had since 1983 been executive director of the World Affairs Council of Northern California. A former Foreign Service officer who served at U.S. embassies in Nigeria, Vietnam, West Germany, France and Luxembourg, the 48-year-old Tarnoff is well connected. He was a special assistant to Ambassador Henry Cabot Lodge and Secretaries of State Cyrus R. Vance and Edmund S. Muskie. “I think he is an excellent choice,” said Vance, a member of the selection committee. “He will be imaginative, he will be balanced, and he will bring real vigor and a deep knowledge of foreign policy to his new office.” Vance said reports that Henry Kissinger and other CFR members tried to block Tarnoffs appointment were “really exaggerated all out of proportion.”

David Rockefeller

CFR member Bill Moyers, in a PBS special broadcast in 1980, hit the nail on the head when he described David Rockefeller as “the unelected if indisputable chairman of the American Establishment.” While Rockefeller recently stepped down as chairman of the CFR after what John McCloy called “44 years of close and active association with the Council,” he remains as chairman of the Trilateral Commission and can be expected to continue exerting considerable influence on the U.S. government and its policies.

The one area where David Rockefeller has done the most harm to the Free World is in propping up and bailing out Communist regimes from Angola to the Soviet Union. In his important book **Red Carpet**, which details the connection between the Kremlin and America’s most powerful businessmen, Joseph Funder suggests that Rockefeller’s July 1964 meeting with Nikita Khrushchev in the Kremlin may have laid the foundation for extensive U.S. aid to and trade with the Soviet Union. Funder credits Rockefeller with persuading President Johnson to lift export controls in 1966 on more than 400 items — including grain, fertilizer, gas and petroleum — that previously could not be shipped to the USSR.

Rockefeller told a group of businessmen in Paris in October 1964 that credits to the Soviet Union should be limited to five years. “Anything more than that would amount to aid,” he said, “and I don’t believe we should give aid to countries trying to subvert or overthrow friendly governments.” If Rockefeller really thought that way in 1964, it did not take him long to change his tune.

In 1971, the New York banker said that the time had come to replace the Iron Curtain with “a plate-glass curtain.” He returned from a visit to Communist China in 1973 declaring that “the social experiment in China under Chairman Mao’s leadership is one of the most important and successful in human history.” According to the most reliable estimates, Mao Tse-tung’s “social experiment” had by that time involved the murder of up to 64 million Chinese by the Communists.

In April 1974, David Rockefeller’s Chase Manhattan Bank loaned the USSR \$150 million to build the world’s largest truck factory near the Kama River. The first trucks out of that plant carried Soviet



soldiers into Afghanistan in 1979. "I suppose in today's climate we might not have done that because there is more concern about Soviet aggressiveness in the world," Rockefeller said a few years ago. He excused Chase from all responsibility, however, saying that since the U.S. Export-Import Bank also helped finance the factory, "we didn't see any reason why we shouldn't be a part of it."

In his 1979 book ***With No Apologies***, Senator Barry Goldwater made a good point when he said that "the Council on Foreign Relations and its ancillary elitist groups are indifferent to Communism. They have no ideological anchors. In their pursuit of a new world order they are prepared to deal without prejudice with a communist state, a socialist state, a democratic state, monarchy, oligarchy — it's all the same to them."

David Rockefeller has proven Senator Goldwater right many times since then. On the Moyers' program, for instance, Rockefeller said that "just because a country is technically called Communist doesn't mean that a capitalist institution such as the Chase Bank can't deal with them on a mutually beneficial basis, and indeed we do deal with most of the so-called communist countries of the world on a basis that has worked out very well, I think, for both of us." He added: "I personally don't see anything immoral or improper with our dealing with people with very diverse views, even if they conduct their affairs in a way that we might even find quite repugnant."

The Trilateral Commission chairman reiterated this callous philosophy during a ten-nation swing through Africa in 1982, saying that "we have found we can deal with just about any kind of government a country wishes to have, provided they are orderly and responsible." By that standard, Rockefeller would have had no trouble dealing with the "orderly and responsible" Nazi regime of Adolf Hitler. He found the Communist dictator of Zimbabwe, Robert Mugabe, to be a "very reasonable and charming person" and said that the presence of 20,000 Cuban soldiers had no "direct bearing on American business operations in Angola. Clearly it has not interfered with our own banking relations."

Rockefeller has denied being part of what he termed "a small group of people who are somehow gathering together and plotting what should be done for the country." But Bill Moyers, who accompanied him on a one-week visit to the economic and political leaders of five European countries, found it "staggeringly impressive and not a little scary that a relatively small number of global entrepreneurs have accomplished what escaped the League of Nations and the UN — they have, in one way, created one world, governed by the cold logic of profit." Moyers said that "David Rockefeller is the most conspicuous representative today of the ruling class, a multinational fraternity of men who shape the global economy and manage the flow of its capital. Rockefeller was born to it, and he has made the most of it. But what some critics see as a vast international conspiracy, he considers a circumstance of life and just another day's work."

Peter G. Peterson

While we are not privy to the factors that led the CFR Board of Directors last fall to select Peter G. Peterson to succeed David Rockefeller as chairman, one consideration had to be Peterson's role as



an architect of President Nixon's 1972 trade agreements with the Soviet Union. As Nixon's Secretary of Commerce, Peterson negotiated pacts designed to triple U.S.-Soviet trade, allow the Reds to pay back only \$722 million of their \$11 billion World War II Lend-Lease debt to the United States, and open up 40 American ports to Soviet ships. The maritime agreement, he said, was "an indispensable first step in the beginning of a new era of expanding trade with the Soviet Union."

Ending his thirteen-day visit to the USSR on August 1, 1972, Peterson sounded like David Rockefeller when he said: "There is a relationship between economics and politics. The more favorable the political environment, the more political tension is reduced around the world. Given the kind of system we have in the United States ... I think that the American public, the Congress, and others will support the concept of expanded trade." Asked at the start of his visit how the Soviet Union might raise the money to pay for \$750 million worth of grain just purchased from the United States, Peterson replied: "The Russians have an excellent record on meeting their debts."

From the Nixon Administration, where he had worked closely with Henry Kissinger, Peter Peterson became chairman in 1973 of Lehman Brothers, one of the world's best-known investment firms. The man heading Lehman's international division at the time was CFR member George Ball, a State Department official in the Kennedy and Johnson Administrations and a frequent contributor both to the CFR journal **Foreign Affairs** and to the Op-Ed pages of the **New York Times**. Peterson, who had joined the CFR in 1971 and the Trilateral Commission a few years later, was in good company.

In an article about Lehman Brothers, Marylin Bender of the **New York Times** noted in 1973 that "Wall Street's banking and law firms are one of the caravan stops for the Establishment's political warriors and gray eminences of both major parties. So, for an indeterminate time being, Mr. Peterson is Lehman's glamorous leader and the Street's newest celebrity." She also observed that "investment bankers are eager to establish Soviet and Chinese connections" as long as they don't have to put up any money and can collect their fees up front. Then if the deals go sour, said Ms. Bender, it will be the banks and the stockholders of participating American companies that "will be left holding the bag."

From Bell & Howell, where his "brilliant and creative mind" was first recognized by Charles Percy in 1958, Peter Peterson has made all the right caravan stops and now sits in the best position to implement the "mature design" of the Council on Foreign Relations.