

ROUND TABLE REVIEW

THE NAKED CAPITALIST

Participants:

William E. Fort, Jr.
Louis C. Midgley
Carroll Quigley
W. Cleon Skousen

Dialogue departs from its usual review format in the following exchange of points of view on W. Cleon Skousen's latest book, *The Naked Capitalist* (Salt Lake City, Utah: published by the author, 1970. 144 pp., \$2.00), a review-essay of Dr. Carroll Quigley's book, *Tragedy and Hope* (New York: Macmillan, 1966). Originally we asked Professor Louis C. Midgley of Brigham Young University to review Skousen's book for *Dialogue*. Shortly after receiving Midgley's review we received an unsolicited review from Professor William E. Fort, Jr., also of Brigham Young University, which took an approach opposite that of Midgley. Since much of the controversy surrounding Skousen's book centered on the interpretation of Quigley's book, we thought it might be interesting to get a response from Quigley to Skousen's book and Midgley's review. In a further attempt at a dialogue we invited Skousen to reply to Midgley and Quigley and, finally, invited Midgley to write a rejoinder to Skousen. All in all, it is a lively exchange and one we hope our readers enjoy.

The Naked Capitalist

William E. Fort, Jr.

Dr. Carroll Quigley's book *Tragedy and Hope* might have escaped the attention of anyone but a few scholars except for its careful dissection by W. Cleon Skousen. Skousen possesses unique qualities for this work. His keen, analytical mind has been sharpened by legal training and by sixteen years of service with the F.B.I. In addition, he was a distinguished Chief of Police in Salt Lake City for four years and was editorial director of the law enforcement magazine *Law and Order*. He has been a professor for seven years at Brigham Young University.

Professor Skousen's keen eye detected passages, sandwiched between lengthy discourses in Dr. Quigley's book, that reflected a fascinating pattern of information, fitting neatly into many things he had learned in his years of intelligence work. He knew, for example, that certain very wealthy and powerful persons, both within this country and abroad, are and have been doing things in support of the Communist conspiracy throughout the world. Dr. Bella Dodd, a former member of the national committee of the U.S. Communist Party, told Skousen several years ago that she first became aware of some superleadership right after World War II, when the U.S. Communist Party had difficulty in getting instructions from Moscow on several vital matters requiring immediate attention. The American Communist hierarchy

was told that any time they had an emergency of this kind they should contact any one of three designated persons at the Waldorf Towers. Dr. Dodd noted that whenever the Party obtained instructions from any of these three men, Moscow always ratified them. What puzzled Dr. Dodd was the fact that not one of these contacts was a Russian or a Communist. In fact, all three were extremely wealthy capitalists! Dr. Dodd said, "I would certainly like to find out who is really running things. I think the Communist Conspiracy is merely a branch of a much bigger conspiracy!"

The portions gleaned by Professor Skousen from Dr. Quigley's book relate to the secret powers operating behind the scenes to destroy our constitutional republic and our traditional freedom and to establish a one-world, socialist government. Dr. Quigley speaks as an insider of some twenty years standing. He approves wholeheartedly of the secret machinations of those who would destroy our nation and place the world under a socialist dictatorship. He sneers at those American patriots who are fighting Communism, stating that they have missed the right target — the secret group of insiders who would rule the world. He feels that it would be *tragedy* for the free-enterprise, constitutional Americans to win. On the contrary he believes that our real *hope* lies in the victory of the secret operators. Hence the title of his book, *Tragedy and Hope*.

Dr. Quigley, however, believes that the real battle is finished and that his side has won. In effect, he believes that it is all over but the shouting and that it is now next to impossible to reverse the process. He traces the secret movement over the years, naming names and places. Some of the names will come as a shock to many Americans. The secret moves will shock them further.

Professor Skousen does an outstanding job of bringing together and crystalizing the important facts of Dr. Quigley's book. *The Naked Capitalist* is a difficult book to put down. Skousen's commentary is enlightening. The complete index and sub-index make it easy to trace the activities of men and organizations.

The Naked Capitalist will answer many questions concerning the strange things that have been going on in the world and in this country for many years. Those who do not have the patience to tackle Dr. Quigley's 1300 page book directly should by all means read Professor Skousen's 144 page commentary. This book is a must for those interested in what is taking place behind the scenes.

The Cult of Conspiracy

Louis C. Midgley

The Naked Capitalist is intended to expose a massive, top-secret, Capitalist super-conspiracy. Communism and socialism, we are told, are merely some of the fruit of this Gigantic International Monolithic Network of Total Global Power. Skousen now believes that it is the Capitalists who have been secretly "running the world" for many years, forming "a conspiratorial con-

trol center higher and stronger than either Moscow or Peiping." *The Naked Capitalist* is intended to strip bare this "Global Establishment" which secretly plans, plots, and conspires to rule the world. Now you have perhaps always thought that the hard-working, money-making Capitalists were the Good Guys in Skousen's demonology. Nothing could be further from the truth. He believes that "globalism," "internationalism," "one-worldism," and ruthless centralized dictatorship are what the Capitalist demons have in mind. They only use communism to achieve these goals.

The "global planners" who are at the center of the Capitalist conspiracy are identified by Skousen as the "leaders of the world's secret center of international banking," the "super-rich," the "super capitalists." The "leaders of London and Wall Street" are chiefs of "the Anglo-American secret society" who are behind communism and everything else. Skousen puts bankers at the top of the list of conspirators: the Rothschilds, Barings, Lazards, Paul Warburg, J. P. Morgan. But also included are the following: John Foster and Alan Dulles, the Rockefellers, Cecil Rhodes, Arnold Toynbee, Walter Lippman, Albert Einstein, George F. Kennan, Douglas Dillon, Dean Acheson, Henry Kissinger, Henry Cabot Lodge, Arthur Burns, George Ball, Ellsworth Bunker, Paul Hoffman, McGeorge Bundy, the Kennedy family, Dwight Eisenhower, John Dewey, and many others. By any standards, this is quite a list.

The Capitalists, he now tells us, are "the world's secret power structure" and they merely form, use and manipulate communism and socialism and many other things for their own evil purposes. He knows that this thesis is not likely to be believed. "If I had said it, people may have found it too fantastic to believe," Skousen wrote in a letter that accompanied copies of the book that he gave to B.Y.U. faculty members. He claims, however, that he has actually discovered "someone on the inside [of the supposed Capitalist conspiracy] who is willing to tell the story." "I have," he writes, "waited thirty years for someone on the inside of the modern political power structure to talk. At last somebody has." Skousen is referring to Carroll Quigley, a professor of history at Georgetown University. Roughly forty full pages of *The Naked Capitalist* consist of direct quotations from Quigley's *Tragedy and Hope: A History of the World in Our Time*.

But does Quigley really say what Skousen claims he says? The answer is both yes and no. The answer is yes, if you mean: "Are the long passages that Skousen quotes actually in Quigley's book?" Quigley does discuss the role of financial capitalism in recent history as well as various "networks" of Capitalist influence and power. But the answer is an emphatic and final no, if you mean: "Does Quigley think he is revealing or has he revealed a Great Super-secret Capitalist Conspiracy behind communism?" This is, of course, the crucial point.

Much of what Skousen claims to have found in Quigley's book is simply not there. There are numerous places in *The Naked Capitalist* in which Skousen (1) asserts something about Quigley but then inadvertently reveals that he completely misunderstands Quigley's remarks; (2) simply invents fantastic ideas and attributes them to Quigley; or (3) makes inferences from Quigley's book that go far beyond the bounds of honest commentary. By way of illustration, I will examine a small sampling of these many passages.

1. According to Skousen, "When Dr. Quigley decided to write his 1300-page book called *Tragedy and Hope*, he knew *he was deliberately exposing* one of the best-kept secrets in the world. As *one of the elite insiders*, he knew the scope of this power complex and he knew that its leaders hope to eventually attain total global control (p. 4, italics added). Skousen cites no evidence whatsoever to support his suppositions about what Quigley *knew*. He fastens on one passage (Quigley, p. 950) and infers the totally unwarranted conclusion that Quigley was an "elite 'insider'" on a global conspiracy of Capitalists who are behind communism. Quigley uses the term "insider" merely to describe his role as historian with access to primary source material.

2. Skousen writes: "Obviously, disclosing the existence of a mammoth power network which is trying to take over the world could not help but arouse the vigorous resistance of the millions of people who are its intended victims. So why did Quigley write his book? His answer appears in a number of places but is especially forceful and clear on pages 979-980. He says in effect, that it is now "too late for the little people to turn back the tide" (p. 4). The truth is that on pages 979-980 Quigley says nothing at all about the purpose of his book. The passage in question is merely a negative account of the isolationist impulse found between 1945-55 in which some favorite nostrums of Skousen are lampooned.

3. Skousen claims that "all through his book, Dr. Quigley assures us that we can trust these benevolent, well-meaning men who are secretly operating behind the scenes. *THEY* are the *hope* of the world. All who resist them represent *tragedy*. Hence the title of the book" (p. 5). If Quigley does something "all through his book," as Skousen claims, it should be easy to give some examples — well, one passage at least. All Skousen presents are his own inferences, for which there is no textual support. If the reader is interested in what Quigley had in mind by the title *Tragedy and Hope*, he should consult pages 1310ff., for it is there that Quigley explains that the tragedy is the threat of war and the hope is that we will come to practice Christian love.

4. After mentioning the imagery in Revelations 13:15-17, Skousen tells us that "Dr. Quigley assures us that this type of global power structure is on the verge of becoming a total reality. He points out that during the past two centuries when the peoples of the world were gradually winning their political freedom from the dynastic monarchies, the major banking families of Europe and America were actually reversing the trend by setting up new dynasties of political control through formation of international financial combines" (p. 7). While it is true that Quigley talks about international bankers and their activities, nowhere does he call their activities a "global power structure." This is Skousen's invention. Nor does Quigley connect the activities of bankers with secret combinations or anything mentioned in Scripture. The assertions that follow the words "Quigley assures us" and "he points out" are merely surmises and conclusions drawn by Skousen and then attributed to Quigley to give them some authority.

5. Skousen thinks it is the Super-Capitalist bankers who are behind all of this and who are chief enemies of the "free-enterprise, property-oriented, open society. . ." (p. 24). But why would these "super-capitalists," who have

the most to gain from free-enterprise, try to destroy it and replace it with socialism? "Dr. Quigley provides the answer to this question but it is so startling that at first it seems virtually inconceivable. It becomes rational only as his scattered references to it are collected and digested point by point. In a nutshell, Dr. Quigley has undertaken to expose what every insider like himself has known all along — that the world hierarchy of the dynastic super-rich is out to take over the planet, doing it with Socialistic legislation where possible, but having no reluctance to use Communist revolution where necessary" (p. 25). But where does Quigley say these things? Quigley is supposedly Skousen's one and only "insider" who has "talked" — his star witness. Quigley does not support in any way Skousen's conspiracy thesis; he has a thesis of his own, but it is not the one Skousen claims to have found in Quigley's book.

6. "As we shall observe shortly," Skousen writes, "Dr. Quigley is sometimes reluctant to admit the full ramifications of his ugly thesis when the shocking and often revolting implications of it spill out on the blood-stained pages of recent history" (p. 25). This is a confused way of granting that Quigley's book does not provide support of Skousen's thesis. But, says Skousen, this "strange contradiction . . . should offer no difficulty to the reader once he understands what is happening." Of course, once you accept Skousen's views, it is apparently very easy to interpret anything. But I had the impression that Quigley was the "insider" who had told all and therefore provided the proof that needs no interpretation. However, once we look at Quigley's book, we find that nothing in it makes Skousen-type sense unless it is interpreted in a special way — unless the reader "understands what is happening." It is Skousen who tells us "what is happening" and not Quigley. He is arguing with his own (and only) witness. A confession hardly needs a key so that we can interpret it. And a wild set of inferences hardly constitutes a confession.

7. Skousen writes: "Dr. Quigley *bluntly confesses* that the International Bankers who had set out to remake the world were perfectly confident that they could use their money to *acquire the cooperation and eventual control of the Communist-Socialist conspiratorial groups*" (p. 38, italics added). Where does Quigley "bluntly confess" such things? The truth is that Skousen is reporting what *he believes* the international bankers are up to and then falsely attributing his own invention to Quigley.

8. According to Skousen: "It may seem somewhat contradictory that the very people whom Marx identified as the epitome of 'Capitalism' should be conspiring with the followers of Marx to overthrow traditional Capitalism and replace it with Socialism. But the record supports *the Quigley contention* that this is precisely what has been happening" (p. 38, italics added). Where did Quigley contend any such thing? What "record" supports such a contention? These are again wholly unwarranted inferences.

9. Skousen refers to "Dr. Quigley's *admission* that the remaking of the world by the super-rich was to be along the socialist lines taught at those British institutions which look upon global socialism as the hope of the world" (p. 39, italics added). Where does Quigley admit such a thing? Here is Quigley's statement: "The chief aims of this elaborate, semi-secret organization [the Round Table Groups financed by bankers, as Quigley has earlier

shown] were largely commendable: to coordinate the international activities and outlooks of the English-speaking world into one (which would largely, it is true, be that of the London group); to work to maintain peace; to help backward, colonial, and underdeveloped areas to advance toward stability, law and order, and prosperity ALONG LINES SOMEWHAT SIMILAR TO THOSE TAUGHT AT OXFORD AND THE UNIVERSITY OF LONDON (ESPECIALLY THE SCHOOL OF ECONOMICS AND THE SCHOOLS OF AFRICAN AND ORIENTAL STUDIES)" (Quigley, p. 954; quoted by Skousen, p. 39). Skousen reads the last few lines as an open *admission* that some super-rich types were conspiring to remake the world "along socialist lines." I cannot find anything in the passage which infers that anything would be done "along socialist lines." I have the impression that Skousen uses expressions like "along socialist lines" when Quigley and most everyone else would say "under control by wealthy capitalists."

10. According to Skousen, "One of the singular and amazing things about Dr. Quigley's book is his willingness to *frankly and unashamedly confess* [*sic*] some of the most serious acts of subversion by his *comrades-in-arms* and then think nothing of turning around and flatly denying that they would have had a hand in such a foul and dirty business as betraying people like the Chinese to Communism" (p. 47, italics added). Quigley does say that "there is no evidence of which I am aware of any explicit plot or conspiracy to direct American policy in a direction favorable either to the Soviet Union or to international communism" (p. 947, quoted by Skousen, p. 45). Where are the *frank and unashamed admissions*? The "comrades-in-arms" remark is gratuitous.

11. According to Skousen, "Dr. Quigley's *disclosure* that the Council on Foreign Relations and the Institute of Pacific Relations were responsible for what turned out to be a paroxysm of world-wide political subversion, is no more shocking than his *bold declaration* that the global collectivists of the London-Wall Street Axis were equally successful in attacking the whole foundation of American culture. . ." (p. 57, italics added). Quigley does discuss the activities and financial backing of the Council on Foreign Relations and the Institute of Pacific Relations, but he does not thereby *disclose* that they were responsible for any political subversion (either world-wide or national). Nor does he make a *bold declaration* about global collectivists being "successful in attacking the whole foundation of American culture." These are entirely the conclusions and opinions of Skousen and they find no support whatever in Quigley's book.

12. Skousen constantly attempts to demonstrate that financial capitalism both directs and supports communism. He asserts, for example, that "*Quigley says*" that "the secret Establishment powers" are attempting "to gradually move [*sic*] humanity toward a global collectivist society" (p. 87). There is, however, nothing in *Tragedy and Hope* that links financial capitalism with the goal of "a global collectivist society" or communism or socialism or dictatorship. Quigley notes that the two organizations "were much concerned with freedom of expression for minorities and the rule of law for all"; they "constantly thought in terms of Anglo-American solidarity, of political partition and federation. . ." (Quigley, p. 954). Exactly what is wrong with such goals? Quigley shows how a few "Communist sympathizers" and fellow

travelers infiltrated the CFR and IPR in the 1930's. This is not a new revelation. Quigley also observes that groups such as IPR and CFR constitute the "power structure which the Radical Right in the United States has been attacking for years in the belief that they were attacking the Communists" (956). Quigley calls these efforts of the Radical Right "misdirected attacks." They are so for several reasons, the chief one being that the bankers and their various organizations — what Quigley calls facetiously "the English and American Establishments" — are not Communist or subversive at all and never have been, though some of the groups supported by bankers were once infiltrated by a few sympathizers and fellow travelers. (See Quigley, p. 956).

The story Quigley tells is good enough. Why then expand it into a lurid tale of global conspiracy and subversion when it is not even a story of a secret conspiracy at all, but merely a reasonable account of the role of one group within the complex of American and world politics? It is by a strange magic that Quigley's account of the role of certain international bankers and their friends in England and the United States becomes transformed in Skousen's mind into a top-secret, Super-capitalist, Super-conspiracy of a global nature. Quigley makes it clear that banking interests and the groups they support are (1) not secret (only semi-secret like most financial, governmental and university affairs generally), (2) not a subversive or criminal conspiracy, (3) not global, only international in the sense that some ties were maintained between bankers and intellectuals in England and the United States), and (4) not really monstrous, sinister, or demonic (but more nearly meddling, naive, idealistic and vain — all rather typical faults of both intellectuals and the wealthy).

13. According to Skousen, "Every once in a while, the network lets down its guard long enough for us to get a slight but alarming peep into the inner parts of the mammoth machine which Dr. Quigley *believes* is now too big to stop. When one contemplates the interlocking global ramifications which this power structure has developed, it is little wonder that Dr. Quigley *feels* so tremendously confident about its ultimate and irrevocable victory" (p. 107; italics added). Here again we see Skousen at work asserting what Quigley *believes* and *feels*. Skousen supports neither of these assertions with textual evidence. Nowhere in his book does Quigley say or imply the things that Skousen attributes to him.

14. The evidence and argument of *The Naked Capitalist* is a weak reed, but the book still has a good deal of emotional appeal and persuasive power. The message is cleverly staged and artfully developed. Skousen begins with a tale about a conversation with Bella Dodd, a former Communist. This is a nice touch. The reader is made to see Skousen as one familiar with security matters and with important people. The purported conversation with Dodd, for which there is no proof, points the reader to the main idea of the book — that there is "a conspiratorial control center higher and stronger than either Moscow or Peiping." Skousen's "credentials" are thus implied — his FBI background, his knowledge of the state of mind of J. Edgar Hoover, and of subversive actions in government, and finally his sensational discovery of who has been behind everything. Before the average reader ever gets to read a word of Quigley he already knows what Quigley

will say and is left with no doubts at all that Quigley is a front rank, high-up member of a top-secret, malevolent conspiracy.

But the Quigley that Skousen has invented (or rather appropriated from the John Birch Society) is not the real Quigley at all. Skousen's picture of Quigley as an elite member of a criminal conspiracy who is now willing to tell the inside story is unprincipled fabrication and a clear piece of deceit. Unless Skousen had planted in the reader's mind his fantasy about Quigley writing a book "to expose world-wide conspiracy and disclose many of its most secret operations" (p. 4), it would never occur to a reader of *Tragedy and Hope* that Quigley was anything but the author of a textbook on recent world history in which some account is offered of the political activities of financial capitalism.

Suppose that one accepts the tale of super-conspiracy as told by Skousen, what is one to do about it? Once we know about the Establishment, what then? Skousen feels that it is now possible "to mobilize a formidable wave of hard-core resistance to the whole super-structure of world-wide conspiracy" (p. 117). Remember, the world-wide conspiracy he is talking about is financial capitalism. "The future task is political in nature. Essentially, it is a matter of methodically and deliberately uniting the vast resources of political power at the grass roots level and 'throwing the rascals out' ". (p. 117). He also claims that "it is essential that one of the national political parties be renovated and reconstructed as a base of operations. . ." (p. 120). "This situation [the collectivization process] is likely to continue," Skousen tells us "until a sufficient number of Americans become angrily aroused and rise from the grass roots to seize control of one or both of the major parties" (p. 57). Notice the operative words "angrily aroused," "rise," "seize control."

After the "political puppets of the international network" of financial capital are eliminated and replaced and "the political climate has been improved we have a tremendous amount of *restructuring* to do" (p. 118, italics added). What will we restructure? "The conspiratorial enemy's power base must be *eliminated*" (p. 118, italics added). The power base of the bankers and their henchmen is, of course, their property and wealth; Skousen wants it eliminated. The economic order must be reconstructed, for "the whole monolithic, inter-locking power structure of international finance is in flagrant violation of the general welfare of the people. . ." (p. 118). In the name of the people, we should eliminate the power base (that is, the wealth) or finance capital. "This mammoth concentration of economic power is in direct opposition to the traditional American precept that, unless it has been stated otherwise, *all power of every sort* must remain DISPERSED among the people. Therefore, *laws must be passed* so that the *nightmarish monstrosity of credit and money power* which has been rapidly gravitating into a few conspiring hands, can be dismantled" (p. 118, italics added). These sentences seem to be a call for the government to expropriate the wealth of the rich. Skousen's program is (1) to angrily arouse people to the point where they will rise and seize control of a political party, (2) to take over the government, (3) to use its power to eliminate the wealthy, (4) to dismantle credit and money power, and (5) to disperse power to the people. This radical political program is surprisingly close to the rhetoric of the New Left.

Skousen specifies some goals which can be attained, he believes, after

expropriation of the wealth and hence the power base of finance capital. (1) This step "would allow us to *liberate* our captive press, radio and TV facilities so that the people could be told what is going on." (2) "It would facilitate the *liberation* of the captive public school system. . ." (3) "It would also facilitate the *liberation of certain religious bodies, universities, and other powerful, opinion-molding channels* which have been bought-over and corrupted by the fabulous wealth of the network's billion-dollar, tax-exempt foundations." (4) "The Federal Reserve system and the United Nations must go" (pp. 118-19; italics added). What does the word "liberate" mean in this context? It certainly seems to imply wresting control from someone. Does it also imply turning control over to someone else? To whom exactly? And who would do this liberating? The government, perhaps?

I believe that Skousen started his career with the goal of saving the rich from big government, but has found that the rich don't want his help — the rich he now discovers control big government and, in fact, are rich partly because of big government. Now he wants to attack the rich and especially their power base, their wealth. But he is not the first to have it in for Capitalists and to want to save the people from their rich masters. This is exactly the program of various forms of socialism and communism. It is difficult to miss the parallels between Skousen's program and much of the rhetoric of the New Left. But there are other instructive parallels. In Germany, where they also once came to believe that they were oppressed by conspiratorial bankers who also manipulated the Communists, the program was called National Socialism. Under this program the rich would be *eliminated and power given back to the people* (or so they said), the schools would be liberated so that the truth could be taught about the evil bankers, international ties would be eliminated, churches would be used for national propaganda and other purposes. Skousen also wants a political party to come to power with the express goal of eliminating the wealth and power of the rich (what better name for such a policy than socialism?) and this key process is to be accomplished by national governmental action — an appropriate descriptive title for his program would be National Socialism.

There are a host of writers, mostly on the left, who have been arguing that political power is in the hands of a wealthy power elite. There is, for example, currently a split among political scientists and sociologists between those who argue that some kind of power elite run things and those who maintain that most everyone has some access to power through democratic processes of decision making. I am surprised that Skousen has apparently never heard about a power elite (or the influence of money in politics or of a military-industrial complex) before he read Quigley. There is a very large literature on these topics. Skousen could have found plenty to chew on in, for example, Ferdinand Lundberg, *The Rich and the Super-Rich: A Study in the Power of Money Today* (New York: Lyle Stuart, 1968).

Has Cleon Skousen simply invented the utterly false, paranoid view of politics and history advanced in *The Naked Capitalist*? Carroll Quigley informs me that for over two years the John Birch Society and other radicals have been busy distorting the contents of his *Tragedy and Hope* in order to support their own paranoid fantasy about a super-conspiracy behind the multitude of evils in the world today. Skousen has bought without question

the dogma of the Birchers and other radicals. He is now busy using his rhetorical powers to charm and flatter Church members into accepting the dogmas of his conspiracy cult. He has made an accommodation between the gospel of Jesus Christ and, of all things, a vain and wholly absurd worldly ideology. The immediate result of Skousen's activity is a kind of radical cult within the Church. He and his friends make every effort to teach their radical political dogmas as if they were truths of the gospel of Jesus Christ.

Recently the Saints have been plagued by those who pass around outlandish nonsense as authentic prophecies of John Taylor, and by others who want to mobilize the Saints into Neighborhood Emergency Teams. The Church has had to settle accounts with both groups. The effect of *The Naked Capitalist* is likewise to direct the attention of the Saints away from the gospel and to form a cult. *The Naked Capitalist* sets brother against brother. It divides the Saints into angry, hostile camps, as is evidenced by its impact on students at Brigham Young University, where it is now being used by certain religion teachers as a compendium to the Scriptures. Such a radical and false ideology, no matter how cleverly packaged and rationalized, does not teach us to love our neighbors or forgive others; it does not open us to the sanctifying effects of the Spirit. There is nothing edifying in its bleak message. Skousen's grim tale of evil conspiracy is not the gospel. Nor is the gospel consistent with the idea that the Saints should be preparing for an aggressive, hostile onslaught against some Enemy Super-Conspiracy. There is no reason for us to put our faith — not even a little of our faith — in some worldly ideology or some radical political program of man.

The Lord has warned the Saints to avoid secret combinations (see Ether 8:19, 22-6); we are not told to start our own secret combination to counter the evils we see or think we see in the world. We are not to follow the pattern set by this world; our politics should be of an entirely different kind; our Kingdom is not of this world. We are not commissioned to win this world for the Lord by joining some seedy and unseemly political mass movement like that offered by the New Left or the Radical Right. No conspiracy, not even a Skousen-type Super-Conspiracy, can possibly frustrate the Kingdom of God; the Saints need not fear the corruption of this world if they keep their eyes and hearts on the Master.

Brigham Young gave us some good advice as to how we as partakers in the Lord's priesthood should deal with political questions: "Let no Religious test be required or the Holy influence and Power of the Priesthood be brought to bear in any Political question. If the inherent merits of all such matters will not furnish argument sufficient for all necessary purposes, then let them go; for it is better that the whole Political fabric, corrupt as we know it to be, should totter and go to destruction, than for our Saints to be offended." Brigham Young warned us not to permit the trivial matter of this world's politics to influence us in the least and added: "and never, no never! no never!! again drag Priesthood into Political gentile warfare." (Letter, July 20, 1849.) In spite of such prophetic warning the conspiracy cult thrives.

Quigley's Response

Carroll Quigley

Thank you for the opportunity to read *The Naked Capitalist* and Midgley's review of it. I think his review is very perceptive, and there is very little I can add to it.

Midgley is correct in his basic statement that Skousen has simply taken extended passages from my book, in violation of copyright, and put them together in terms of his own assumptions and preconceptions to make a picture very different from my own. Skousen is apparently a political agitator; I am an historian. My book merely tried to give an account of what happened in the world in the early part of the 20th century. I did a good deal of independent research on it, much of it in places which did not attract Skousen's attention at all (such as French economic history, and economic history in general). The book was published five years ago. On the whole, except perhaps for my section on Red China, it has stood the challenge of later information fairly well. The chapter on "Germany From Kaiser to Hitler" has just been re-published by Houghton Mifflin in a book entitled *Why Hitler?*

Midgley has pointed out the chief distortions of my materials in Skousen's book. My picture of "Financial capitalism" said that it was prevalent in the period 1880-1933. Skousen quotes these dates in several places (p. 14), yet he insists that these organizations are still running everything. I said clearly that they were very powerful, but also said that they could not control the situation completely and were unable to prevent things they disliked, such as income and inheritance taxes. Moreover, I thought I had made it clear that the control of bankers was replaced by that of self-financing or government-financed corporations, many of them in the West and Southwest, in oil or in aero-space, and I saw a quite different alignment of American politics since 1950 (pp. 1245-1247). Skousen implies that financial capitalism was not only omnipotent but immoral, both of which I denied.

Most notably, Skousen asks in his foreword: "Why do some of the richest people in the world support communism and socialism?" He says that I give the answer. I never anywhere said that financial capitalism or any of its subsidiaries sought to "support communism." On the contrary, I said two things which Skousen consistently ignores: (1) that bankers sought to influence all shades of American political opinion across the board from Right to Left (p. 945); and (2) that Wall Street support of Communist groups was based on three grounds, one of which was to "have a final veto on their publicity and possibly on their actions, if they ever went radical" (p. 938). Morgan's pipeline to the Liberals (the Straights) was no more liberal than his pipeline to the Communists (the Lamonts) was communist. Skousen simply assumes that anyone who tries to infiltrate the communists or contributes funds to them must be a sympathizer, but, as he must know, the FBI has been doing this for years, as the CIA has been doing it all across the political spectrum on American campuses in recent years.

I must say that I was surprised at the picture of myself which I found in Skousen. Midgley is correct in his statement that I never claimed to be

an "insider" of the Eastern Establishment, as Skousen seems to believe I was; I simply said that I knew some of these people, and generally liked them, although I objected to some of their policies. It seems to me that Skousen is unable to understand their point of view, simply because he upholds what I would regard as "the Radical Right" view that "exclusive uniformity" is the basis on which our society should be based. My own view is that our whole Western tradition rests, despite frequent aberrations, on what I call "inclusive diversity." These are the last two words of my book, and *they are its chief message*, which seems to me to be one of the chief aspects of the Christian way of life: that diverse peoples with diverse beliefs must live together and work together in a single community. It seems to me that the Wall Street power group sincerely held this belief; that is why they made Harvard and other institutions they influenced so "liberal." They felt strongly that communists and the Soviet Union and other diverse peoples were in this world together and had to live and let live in order to co-exist. It seems to me that this is what Skousen cannot accept. His political position seems to me to be perilously close to the "exclusive uniformity" which I see in Nazism and in the Radical Right in this country. In fact, his position has echoes of the original Nazi 25 point program.

Midgley says that Skousen was triggered into writing *The Naked Capitalist* by my critical remarks on the Radical Right. I agree with him. If you will look at my book (pages 146-147), you will see that the Round Table Group, under the influence of Lionel Curtis, held basically Christian beliefs. These were sincere. But they bungled them greatly in application. Perhaps it was intellectual arrogance to expect to "build the Kingdom of God here upon this earth," and they certainly failed disastrously. No one knows this better than I do. But I still cannot condemn them, and I cannot see that the American Radical Right has anything better to offer. I think the Round Table effort failed because they tried to work through government, rather than through each person's individual effort in his private life.

Skousen's Reply

W. Cleon Skousen

In *The Naked Capitalist* I simply quoted extensive passages from Quigley which described the amazing extent to which a secret financial network gained control over major nations throughout the world. Quigley was very clear and precise in the way he presented his material, and I felt it was a most important contribution. It is regrettable that he now feels compelled to retreat to a more obscure position.

Quigley is unhappy with me for saying that he wrote his book as an "insider." Yet after affirming the existence of this vast, secret power structure of the super-rich he writes: "I know of the operations of this network because I have studied it for twenty years, and was permitted for two years, in the early 1960's, to examine its papers and secret record. I have no aversion to it or to most of its aims and have, for much of my life, been close to it

and many of its instruments." Is there any other historian who has been given access to the secret records of the international bankers' establishment? I know of none. Nor do I know of any historian who has been close enough to the "instruments" of the Establishment to reveal so many facts concerning its inside operations.

One of the most astonishing points raised in Quigley's critique was his statement that, "I never anywhere said that financial capitalism sought to support communism." Actually, this is something he stressed very strongly in his book. "Our concern at the moment is with the links between Wall Street and the Left, especially the Communists. . . ."; he goes on to describe how J. P. Morgan's partner, Thomas Lamont, and his family became the "sponsors and financial angels to almost a score of the extreme Left organizations, including the Communist Party itself." He cites other instances, one of which is the Institute of Pacific Relations (pp. 946ff.). He says, "The influence of the Communists in IPR is well established, but the patronage of Wall Street is less well known." He then provides an extremely interesting account of the relationship between Wall Street leaders and their heavily financed forces of subversion which operated in the IPR during that period. Of course, Congressional hearings thoroughly supported my position. So did the Attorney General's investigation in the Amerasia Case. Why is Quigley now attempting to deny his former position?

Both in his book and his critique, Quigley exhibits a very strange attitude toward those who have views which differ from his own. He is very disturbed by the "petty bourgeoisie" in America who have "middle-class values" and are therefore opposed to what I believe is the socialized, one-world society which is being imposed upon them. Obviously Quigley is talking about those who oppose what he believes in. But why must he identify them with the Nazis? Smearing is a tactic used by those who have run out of substantive arguments. Quigley does the same thing in his response to *The Naked Capitalist*. He says my position "has echoes of the original Nazi 25 point program." In what way? He never gets around to telling us.

I have concluded to attribute Midgley's treatment of my book to an adventure in speed reading. Certainly he is a better scholar than the contents of this critique would indicate. He must have written his comments under tremendous pressure and at a time when his sketchy scanning of my book caused him to suffer a trauma of emotional inflammation. I would have preferred to respond to a critique of scholarly, penetrating analysis. That might have been useful to both of us, and I would have welcomed it.

My greatest disappointment in Midgley is his obvious lack of intellectual curiosity. In his anxiety to get out his polemical shotgun and win the debate, he completely missed some rather exciting issues which are presented in *The Naked Capitalist*. Some of these have come into prominence just since this book was published. An example of this has been the rather sensational repudiation of the 1968 Republican platform by President Nixon, which my book anticipated. Another has been the submitting of two bills in Congress to retire the privately owned stock of the Federal Reserve System, which coincides with the recommendations in *The Naked Capitalist*. This book also predicted the new China policy with Kissinger carrying the

ball for the power network which initiated the policy. Midgley appears to have missed all of this along with a dozen other issues of equal importance.

In the opening portion of his review, Midgley pokes fun at Skousen's "demonology" which is supposed to "strip bare the 'Global Establishment' who secretly plan, plot and subversively conspire to rule the world." As part of his fun, Midgley says, "Since the Capitalist Super-conspiracy is partly an affair of bankers, Skousen heads the list of conspirators with their names: The Rothschilds, Barings, Lazards, Paul Warburg, J.P. Morgan. . . ." This illustrates the superficiality of his reading. This series of names is not my list at all. It is Quigley's. How did Midgley miss this?

Midgley goes on to say: "Skousen has striven to find a link between capitalism and communism." This is not true. The link between wealthy Capitalists and the Communists has been one of the startling facts growing out of government investigations for forty years or more. The great value of Quigley's book is that he verifies with names and organizations what government investigators and private researchers have been saying all along. He further clarifies the reason for the Wall Street-Left Wing link by telling how the heirs to some of the multi-billion dollar fortunes of the world became converted to John Ruskin's version of socialist collectivism. We are dealing with fabulously wealthy men who are out to restructure the world along Plato's pattern of socialist collectivism. Surely Midgley must have read Plato sufficiently to appreciate what a tightly stratified class structure John Ruskin was advocating.

Midgley lists fourteen points which he failed to find in Quigley's book even though I cited the pages where he could find them:

1. Midgley says he could find nothing to indicate Quigley was writing as an "insider." This one we have already covered.

2 & 13. Midgley objected to my deduction that Quigley probably felt safe in telling the Establishment story because of Quigley's feeling that it was now too late for ordinary Americans to organize and turn back the tide. Rather than quibble I will simply refer the reader to pages 979-80 of Quigley's book.

3. What is the meaning behind the title, *Tragedy and Hope?* I have already demonstrated that Quigley sees tragedy in returning to the fundamentals of the founding fathers. He sees hope in a one-world amalgamation of the United States and the Soviet Union. He calls it "inclusive diversity." In his critique of *The Naked Capitalist* Quigley provides a definition for this strange term. He says it means "that diverse people with diverse beliefs must live together and work together in a single community." Pushing universities toward the liberal Left, accommodating Communists, promoting and financing their clandestine operations, all this is to bring us to what Quigley thinks the Wall Street power group sincerely wanted — a "single community" where people would be required to "live together and work together." All of this smacks of compulsion, the loss of Constitutional freedoms and deceptive, police state tactics.

4. Midgley calls my reference to a prophecy in the Book of Revelation (13:15-17) merely "some imagery." This is John's prophecy that just prior to the Second Coming (which he describes immediately afterwards) there will be a great "beast" rise to power which will create an economic monopoly

in which "no man might buy or sell" without its mark. Moroni talks about a similar "secret combination" in the latter days (Ether 8:23). Midgley can disparage such prophecies if he wishes, but it seems to me that what he dismisses as merely "some imagery" is taking on the flesh and bone of ominous reality.

5. Midgley denies that there is anything in Quigley's book to indicate there is an international financial combine which is pushing the world into a collectivized society. To come to this conclusion, Midgley had to ignore at least half of the "forty pages" which I quoted from Quigley.

6 & 10. Midgley says I cannot quote Quigley as my star witness and then criticize him for trying to cover up the consequences of the conspiracy which the Establishment has been financing. But why not, if it is true?

7. This item deals with the purposes of the Wall Street cabal in financing Left-Wing collectivist groups and has already been answered.

8 & 9. Midgley says it is "totally false" for me to suggest that Quigley believes that the Establishment is moving toward the collectivist Left in order to replace traditional capitalism with a world-wide socialist society. He says Quigley presents no such picture in *Tragedy and Hope*. This leads me to suspect that perhaps Midgley has not read Plato after all. Maybe he had no idea what Quigley was talking about when he traced the ideological gestation of the secret society to John Ruskin's Platonically inspired dream of a one-world socialist society.

11. Midgley wants to know where Quigley makes any bold declaration that the London-Wall Street network was involved in attacking the foundation of the American culture. Communists have as their basic objective not only the political conquest of America but the total destruction of its Judaic-Christian culture. I see no difficulty whatever in establishing that Quigley has been well aware of the attack the Establishment has been making on the foundations of the American culture.

12. This item raises the complaint that there is nothing in Quigley's book to show that the Eastern Establishment is supporting the Communists and pushing toward a globalist union. As we have shown, Quigley specifically verified this point in his review when he carefully defined their goal as "inclusive diversity" — a single society where Americans and Communists must live and work together.

14. Midgley declares that since *The Naked Capitalist* is so lacking in supportive evidence, it must be written off as more "clever" than "cogent." This determination is something I am perfectly willing to leave to the intelligence of the readers.

Finally, Midgley was disturbed by my suggestion that the people take back from government the illegal authority it has expropriated to itself. Although I specifically stated that this should be achieved through established political procedures, Midgley equates me with those he calls the "hysterical radicals." When I suggested that the international bankers' network be deprived of the power they exercise through the Federal Reserve system, Midgley could not visualize anything in this suggestion but a mass appropriation of their wealth by government. This was purely an assumption. He concluded that Skousen has joined the "New Left." The rest of my suggestions were offered in this same spirit, but were translated by Midgley

into ominous political monsters ranging all the way from revolutionary communism to Fascist Nazi dictatorship.

My reference to the power elite among the Capitalists led Midgley to expostulate, "I am quite surprised that Skousen has apparently never heard about a *power elite* . . . before he read Quigley." In my book I mentioned that I had known about the secret power structure for over thirty years but had been waiting for someone on the inside to tell us why these wealthy Capitalists would feel there was some advantage in supporting the Communists and Socialists. Once Quigley explained the background and influence of John Ruskin and spelled out the ramifications of the "secret society," it began to make sense. At least to most people. Midgley is one of the exceptions. He suggests that those who believe in the conspiracy must be "cultists." So far as I know, this would include all of the living prophets and all of their immediate predecessors. I doubt whether Midgley would really want to take on anything as formidable as that.

Midgley's Rejoinder

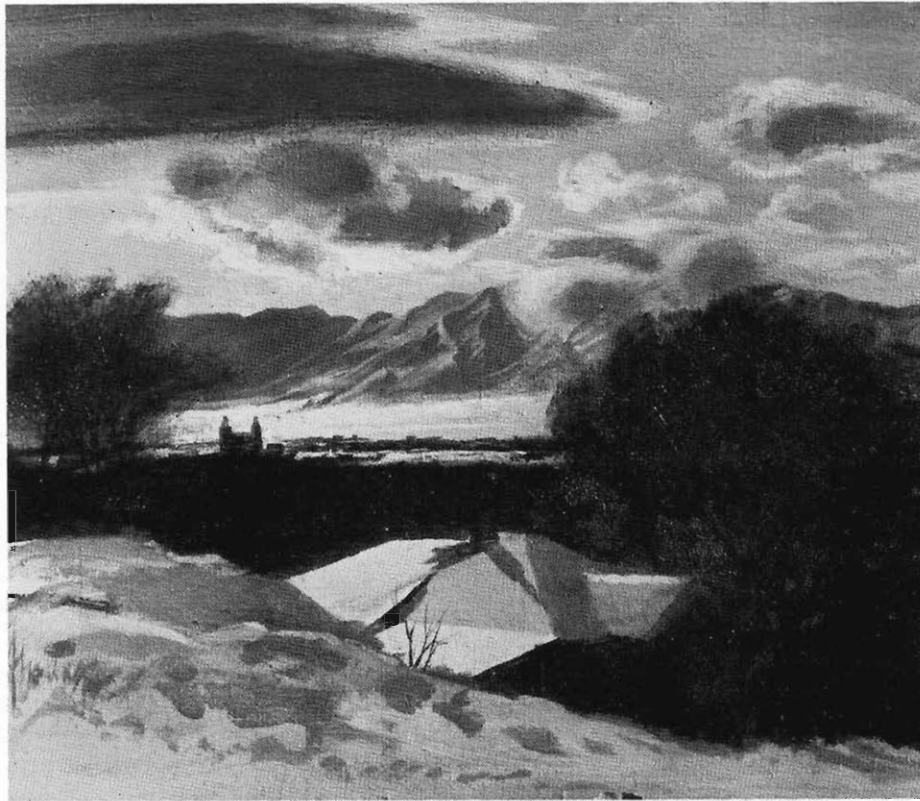
Louis Midgley

I had rather hoped that Skousen, upon discovering that his Quigley thesis was false, would have had the courage to admit his error, recall his book, disband his cult, stop his radical political agitation, and perhaps even apologize to Carroll Quigley, whose book he has so badly misrepresented and mistreated. Aside from whatever assistance my review could be to the many decent, concerned Saints who have bought the book, I saw the review as a call to repentance to Skousen. I tried to present my objections in a scholarly, forceful but still kindly way. Now it appears that Skousen is not prepared to face up to the fact that his book rests on falsehood. Instead, he has chosen to dissemble and pretend that he has published the truth.

Skousen's reply plays down the more sensationalistic and lurid aspects of his own thesis and, wherever possible, diverts attention to other "exciting issues." The new toned-down version sometimes contradicts the original. For example, I chided him for not knowing much earlier that wealthy people, including bankers, have power and for having waited thirty long years for someone to "let the secret out." He brushed this objection aside by insisting that he mentions that he had *always known* about the secret power structure, but had merely been waiting for someone on the inside to tell us *why* these wealthy Capitalists were doing what they were doing. This contradicts the version actually found on page 4 of his book and the letter he initially sent with the book. There he wrote: "Our main problem has been to discover precisely WHO [his emphasis] was behind some of the insane things which have been happening."

The reader who carefully compares my fourteen objections with his responses will find that he has failed in every case to answer them. However, I must draw special attention to some features of his reply.

1. Skousen charges me with having challenged the accuracy of the long quotations he has taken from Quigley. That was not my point at all. All



those thousands of words are quoted accurately, as far as I know. What I complained about were the inferences, summaries and conclusions about Quigley that are fallacious, inaccurate, and unsupported by textual evidence.

2. Quigley tells us that the title of his book points to the tragedy of war and the hope that mankind will turn from hatred to Christian love and thereby learn to live with others with whom we differ (see pp. 1310ff.). Unless we begin to manifest love, he maintains, we will destroy ourselves in senseless war. This is what he means by the phrase "inclusive diversity." Therefore he can say "that diverse peoples with diverse beliefs must live together in a single community." Skousen has pounced on the harmless word "must," inferring from it that Quigley wants "compulsion, the loss of Constitutional freedoms and deceptive police state tactics," collectivism, globalism, and "one-world amalgamation of the United States and the Soviet Union." All these terrible things are inferred from the harmless little word Quigley used to express his belief in the necessity of loving our neighbors.

3. The only "evidence" Skousen offers to show that the wealthy men he so despises are in favor of globalism, socialism, communism, collectivism, etc., is that Quigley says that John Ruskin lectured to bankers at Oxford in 1870. Skousen then quotes someone to show that Ruskin read Plato and that Plato was a mean totalitarian (pp. 26ff.). From this he concludes that bankers are totalitarians who plot to bring about communism, socialism and a host of other evils. There is something seriously wrong with the argument that contemporary bankers and other wealthy men *support* communism and other evils simply because someone has written that Ruskin once read Plato.

4. Skousen ends his reply by arguing that by rejecting *his* cult of conspiracy I am placing myself in opposition to “all the living prophets and all of their immediate predecessors.” As a matter of fact, I do believe that there are numerous, often competing conspiracies in this world. And I am in complete accord with the frequent prophetic judgments brought against the vain and hurtful nonsense of this world. I know the truth of the prophetic warnings against various kinds of radical political activities, including communism and birchism. But there has never been one word from our prophets warning us of Skousen’s myth of a bankers’ conspiracy. Instead, the prophets tell us that we have nothing to fear from the wicked in this world if we hold fast to the iron rod of the gospel. But that involves not following Skousen-type programs, which fight the worldly wicked with their own tool — hate — rather than return love for the evil that abounds in this world. Obviously, I have placed myself in opposition to such “living prophets” as Robert Welch and many other such pariahs, but that is another matter. Perhaps Skousen accepts such men as “living prophets”; in any case he has certainly attempted to affect an accommodation between their strange message and the gospel of Jesus Christ.

Thousands of Brigham Young University students are currently being indoctrinated in the “gospel” of *The Naked Capitalist* by Skousen and a handful of his disciples who teach “religion” classes. Students and faculty who do not accept the Skousen-type “gospel” are written off as apostates and enemies of the Church. This is a mean game. Wherever Skousen and his disciples are able to spread their cult we see hostile camps, disunity in the Church and loss of conviction in the gospel of Jesus Christ.