

Wall Street & the March 1917 Russian Revolution

Posted By *Kerry Bolton* On October 25, 2013 In North American New Right | Comments Disabled

2,027 words

"There is no proletarian, not even a communist, movement that has not operated in the interests of money, in the directions indicated by money, and for the time permitted by money — and that without the idealists amongst its leaders having the slightest suspicion of the fact." Oswald Spengler.[1]

The "Russian Revolution" (sic) is heralded in both the popular imagination and by academe as a triumph of the people against Czarist tyranny, even if most concede that the utopian vision turned sour, at least with the eventual dictatorship of Stalin. However a look behind the multiple facades of history shows that the "Russian Revolution" was one of many upheavals that have served those who provide the funding.

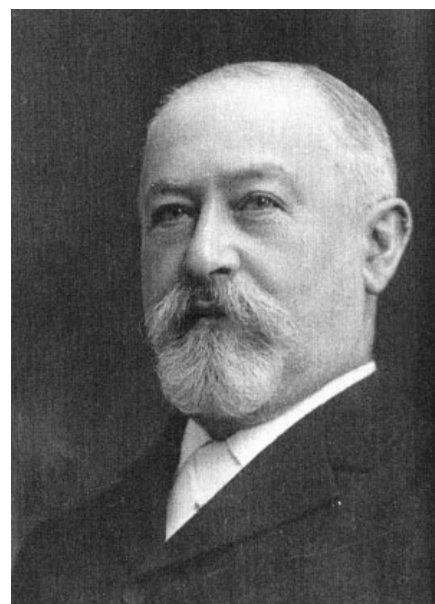
Few—whether laymen or supposed "experts"—ever seem to question as to where the money comes to finance these revolutions, and we are expected to believe that they are "spontaneous uprisings of the people against oppression," just as today we are still expected to believe that the so-called "colour revolutions" in the Ukraine, Georgia, Serbia, etc., are "spontaneous demonstrations." This essay examines the funding of the March 1917 Russian Revolution, the so-called First Revolution that served as an opening scene for the Bolsheviks, and concludes that there are forces at work behind the scenes, whose goals are far removed from the welfare of the masses.

March 2010 marks the ninety-third anniversary of the (First) Russian Revolution, which served as the prelude for the Bolshevik *coup* the following November, known as the "Bolshevik Revolution." A look beyond orthodoxy shows with ample documentation that socialism, from social democracy and *fabianism*[2] to communism, has generally "operated in the interests of money" as Spengler observed.

The Fabian historian and novelist H. G. Wells, when in Russia in 1920 observing the still precarious Bolshevik regime, commenting on how arch-capitalists were even then already going into the embryonic Soviet republic to negotiate commercial concessions[3], wrote:

. . . Big business is by no means antipathetic to Communism. The larger big business grows the more it approximates to Collectivism. It is the upper road of the few instead of the lower road of the masses to Collectivism.[4]

Big Business saw in socialism a means for both destroying the traditional foundations of nations and societies and as a control mechanism. In the case of Old Russia where a State based on



[1]

Jacob Schiff

monarchical and rural traditions was not amenable to being opened up for global business exploitation of its resources the scene was set for the upheavals of 1917 back in 1905 at the time of the Russo-Japanese War, which played a significant role in the formation of a Russian revolutionary cadre.[5] The funding for the formation of that cadre came from Jacob Schiff, senior partner of Kuhn, Loeb & Co., New York, who backed Japan in the war against Russia.[6]

The individual most responsible for turning American opinion, including government and diplomatic opinion, against Czarist Russia was the journalist George Kennan[7], who was sponsored by Schiff. In a collection of essays on American-Russian diplomacy, Cowley states that during the Russo-Japanese War of 1904-1905 Kennan was in Japan organising Russian POWs into 'revolutionary cells' and claimed to have converted "52,000 Russian soldiers into 'revolutionists'". Cowley also adds, significantly, "*Certainly such activity, well-financed by groups in the United States, contributed little to Russian-American solidarity.*"[8]

The source of the revolutionary funding "by groups in the United States" was explained by Kennan at a celebration of the March 1917 Russian Revolution, as reported as by the *New York Times*:

Mr. Kennan told of the work of the Friends of Russian Freedom in the revolution.

He said that during the Russian-Japanese war he was in Tokio, and that he was permitted to make visits among the 12,000 Russian prisoners in Japanese hands at the end of the first year of the war. He had conceived the idea of putting revolutionary propaganda into the hands of the Russian army.

The Japanese authorities favoured it and gave him permission. After which he sent to America for all the Russian revolutionary literature to be had . . .

"The movement was financed by a New York banker you all know and love," he said, referring to Mr Schiff, "and soon we received a ton and a half of Russian revolutionary propaganda. At the end of the war 50,000 Russian officers and men went back to their country ardent revolutionists. The Friends of Russian Freedom had sowed 50,000 seeds of liberty in 100 Russian regiments. I do not know how many of these officers and men were in the Petrograd fortress last week, but we do know what part the army took in the revolution."

Then was read a telegram from Jacob H. Schiff, part of which is as follows: "Will you say for me to those present at tonight's meeting how deeply I regret my inability to celebrate with the Friends of Russian Freedom the actual reward of what we had hoped and striven for these long years."[9]

The reaction to the Russian revolution by Schiff and indeed by bankers generally, in the USA and London, was one of jubilation. Schiff wrote enthusiastically to the *New York Times*:

May I through your columns give expression to my joy that the Russian nation, a great and good people, have at last effected their deliverance from centuries of autocratic oppression and through an almost bloodless revolution have now come into their own. Praised be God on high! Jacob H. Schiff.[10]

Writing to *The Evening Post* in response to a question about revolutionary Russia's new status with world financial markets, Schiff replied as head of Kuhn, Loeb & Co.:

Replying to your request for my opinion of the effects of the revolution upon Russia's finances, I am quite convinced that with the certainty of the development of the country's enormous resources, which, with the shackles removed from a great people, will follow present events, Russia will before long take rank financially amongst the most favoured nations in the money markets of the world.[11]

Schiff's reply reflected the general attitude of London and New York financial circles at the time of the revolution. John B. Young of the National City Bank, who had been in Russia in 1916 in regard to a US loan stated in 1917 of the revolution that it has been discussed widely when he had been in Russia the previous year. He regarded those involved as "*solid, responsible and conservative*." [12] In the same issue, the *New York Times* reported that there had been a rise in Russian exchange transactions in London 24 hours preceding the revolution, and that London had known of the revolution prior to New York. The article reported that most prominent financial and business leaders in London and New York had a positive view of the revolution.[13] Another report states that while there had been some disquiet about the revolution, "*this news was by no means unwelcome in more important banking circles*." [14]

These bankers and industrialists are cited in these articles as regarding the revolution as being able to eliminate pro-German influents in the Russian government and as likely to pursue a more vigorous course against Germany. Yet such seemingly "patriotic sentiments" cannot be considered the motivation behind the plutocratic support for the revolution. While Max Warburg of the Warburg banking house in Germany, advised the Kaiser and while the German Government arranged for funding and safe passage of Lenin and his entourage from Switzerland across Germany to Russia; his brother Paul,[15] as associate of Schiff's,[16] looked after the family interests in New York. The factor that was behind this banking support for the revolution whether from London, New York, Stockholm,[17] or Berlin, was that of the tremendous largely untapped resources that would become available to the world financial markets, which had hitherto been denied control under the Czar. It must be kept in mind that these banking dynasties were—and are—not merely national or local banks but are *international* and do not owe loyalty to any particular nation, unless that nation happens to be acting in their interests at a particular time. [18]

The Bolshevik Revolution of eight months later, despite the violent anti-capitalist rhetoric, was to open Russia's vast resources up to world capitalism, although with the advent of Stalin, not to the extent that the plutocrats had thought when the Lenin-Trotsky regime had held sway for several years.

Notes

This essay is based on parts of chapters in my book *Revolution From Above: Manufacturing "Dissent" in the New World Order* (London: Arktos, 2011). I hope to submit a similar essay on the funding of the November 1917 Russian Bolshevik Revolution for the October-November-December issue of *Ab Aeterno*.

[1] Oswald Spengler, *The Decline of The West*, 1918, 1926 (London: G. Allen & Unwin, 1971), vol. 2, p. 402.

[2] The Fabian Society features on its coat-of-arms a wolf in sheep's clothing. Prominent among the founding members were literati such as H. G. Wells and G. B. Shaw. The Fabians founded the London School of Economics and Political Science as a training academy for the future governing elite in a collectivist state. According to co-founder Beatrice Webb, funding for this came from Sir Ernest Cassel of Vickers armaments and Kuhn, Loeb & Co., New York; and the Rothschilds, et al. (K. R. Bolton, op.cit., "Revolution By Stealth").

[3] Washington A. Vanderlip was in Russia at the same time as Wells, negotiating commercial concessions with the Soviet regime—successfully.

[4] H. G. Wells, *Russia in the Shadows*, Chapter VII, "The Envoy." Wells went to Russia in September 1920 at the invitation of Kamenev, of the Russian Trade Delegation in London, one of the leaders of the Bolshevik regime. *Russia in the Shadows* appeared as a series of articles in *The Sunday Express*. The whole book can be read online at:

gutenberg.net.au/ebooks06/0602371h.html ^[2]

[5] The Russian monarchy and the Russian peasant were both considered historically passé by the Western financial establishment, in the same manner that in our own time the Afrikaner farming folk were considered passé and their system of apartheid hindered the globalisation of South Africa's economy. Like the March and November 1917 Russian Revolutions, the ostensibly "Black" revolution in South Africa eliminated the Afrikaner anachronism and under "socialism" has privatised the *parastatals* (state-owned utility companies) and privatised the economy.

[6] "Jacob Schiff," *Dictionary of American Biography*, Vol. XVI, p. 431. Schiff gave a loan of \$200,000,000 to the Japanese aggressors, for which he was decorated by the Japanese Emperor.

[7] Robert Cowley, "A Year in Hell," *America and Russia: A Century and a Half of Dramatic Encounters*, ed. Oliver Jensen (New York: Simon and Schuster, 1962), pp. 92-121. The introductory note to the chapter indicates the nature of Kennan's influence: "An American journalist, George Kennan, became the first to reveal the full horrors of Siberian exile and the brutal, studied inhumanity of Czarist 'justice'." Cowley quotes historian Thomas A. Bailey as stating of Kennan: "No one person did more to cause the people of the United States to turn against their presumed benefactor of yesteryear." (A reference to Czarist Russia's support for the Union during the American Civil War). Cowley, *ibid.*, p. 118.

[8] *Ibid.*, p. 120.

[9] *New York Times*, 24 March, 1917, pp. 1-2.

[10] Jacob H. Schiff, "Jacob H. Schiff Rejoices, By Telegraph to the Editor of the New York Times," *New York Times*, 18 March, 1917. This can be viewed in The New York Times online archives: <http://query.nytimes.com/mem/archive-free/pdf?res=9802E4DD163AE532A2575BC1A9659C946696D6CF> ^[3] (accessed 12 January 2010).

[11] "Loans easier for Russia," *The New York Times*, 20 March 1917.

[http://query.nytimes.com/mem/archive-free/pdf?](http://query.nytimes.com/mem/archive-free/pdf?res=9B04EFDD143AE433A25753C2A9659C946696D6CF)

[res=9B04EFDD143AE433A25753C2A9659C946696D6CF](http://query.nytimes.com/mem/archive-free/pdf?res=9B04EFDD143AE433A25753C2A9659C946696D6CF) ^[4] (accessed 12 January 2010).

[12] "Is A People's Revolution." *The New York Times*, 16 March 1917.

[13] "Bankers here pleased with news of revolution," *ibid*.

[14] "Stocks strong – Wall Street interpretation of Russian News," *ibid*.

[15] Paul Warburg, prior to emigrating to the USA, had been decorated by the Kaiser in 1912.

[16] Paul Warburg was also Schiff's brother-in-law.

[17] Olof Achberg of the Nye Banken, Stockholm was to serve as the conduit for funds between international banks and the Bolsheviks.

[18] For example, what national or prior imperial loyalties could a banking dynasty such as the Rothschilds owe, when they had family branches of the bank in London, Paris, Frankfurt, and Berlin? The same question applies to all such banks, and in our own time to the trans-national corporations.

Source: *Ab Aeterno: Journal of the Academy of Social and Political Research*, no. 2, March 2010

Article printed from Counter-Currents

URL to article: **<https://counter-currents.com/2013/10/wall-street-and-the-march-1917-russian-revolution/>**

URLs in this post:

[1] Image: **<https://cdn.counter-currents.com/wp-content/uploads/2013/10/jacobschiff.jpg>**

[2] *gutenberg.net.au/ebooks06/0602371h.html*: **<https://counter-currents.comgutenberg.net.au/ebooks06/0602371h.html>**

[3] <http://query.nytimes.com/mem/archive-free/pdf?res=9802E4DD163AE532A2575BC1A9659C946696D6CF>:
<http://query.nytimes.com/mem/archive-free/pdf?res=9802E4DD163AE532A2575BC1A9659C946696D6CF>

[4] <http://query.nytimes.com/mem/archive-free/pdf?res=9B04EFDD143AE433A25753C2A9659C946696D6CF>:
<http://query.nytimes.com/mem/archive-free/pdf?res=9B04EFDD143AE433A25753C2A9659C946696D6CF>

Copyright ©2025 | Counter-Currents Publishing | All rights reserved.