



Episode 791: War Is a Racket: The Life and Thought of Maj. Gen. Smedley Butler

Guest: C.J. Killmer

WOODS: Now, I want to talk about of course Smedley Butler, we'll get to that, but first let's talk about the fact that you have had a successful libertarian podcast for years now, and you have produced a lot of episodes. And that interests me too, and it also interests a lot of people who listen, people who say we kind of also would like you to pull the curtain back a little on your own operation and tell us how you do this. I mean, I've produced almost 800 episodes; people are curious about that.

Well, I'm curious about your situation. You have degrees in history, and you've been teaching history. And at some point you decided you were going to do a podcast. How did that come about?

KILLMER: Right, well, I've been teaching history for over ten years now. I have a bachelor's and master's in history; no PhD, though, for a variety of reasons. Kind of quit while I was behind on that. Actually, never even got rolling on it. But anyway, a couple years ago I decided to start a podcast, and it was in part because I wanted to be able to delve into topics even more deeply than I do in my classes, because I teach at basically what kind of used to be called a community college, so most of the classes I teach are kind of intro survey classes. And just because of time, you can't delve too deeply into any one topic, really. But I'm always reading, I'm always researching, I'm always learning new stuff, and I had all these cool things that I wanted to share with my classes or get into more detail.

And so I eventually started to learn kind of the rudimentaries of podcasting, because I would make a little podcast for my students as supplemental materials. We have Blackboard as like our online supplemental system, and I would put little podcasts, usually like 15 minutes long or something, in there as supplements. And they weren't terribly good, but it was a learning process, and so after a while I started my own show, because I wanted something that was mine and where I was completely in creative control, where I could one week talk about the Bronze Age if I felt like it and the next week talk about something really recent, if I felt like it. Really kind of have no boundaries, no restrictions.

And the other thing was I was a podcast junkie for a bunch of years as a listener, and I realized that there wasn't a podcast out there that was the podcast that I really was looking for, and so I kind of realized at that point I had to make it myself. There weren't any good podcasts that I was aware of that were basically libertarian-anarchist history podcasts. There's a lot of great libertarian podcasts, there are great history

podcasts, and you know, there are shows like yours, where you talk to lots of historians and you certainly talk about historical topics. But as far as like a pure, straight up history podcast with a lot of narratives and all that kind of stuff, often kind of long form, it wasn't out there. So I decided to make it. And for my little niche, I've kind of got the market cornered, so I've developed a bit of a cult following, I guess.

WOODS: I've had a number of people request to have you on, and I thought, okay, at some point I'm going to figure out what would be a good topic for us. Then when I looked at the episode topics you have, I thought, well, the problem now is figuring out which one to choose of all these. No real problem figuring out what to talk about. So let's shift then and talk about – Well, tell people first of all the website.

KILLMER: Sure, the website is ProfCJ.org, but you can also put in DangerousHistoryPodcast.com, which is the name of the show. It's longer, but it's probably easier for people to remember. So DangerousHistoryPodcast.com.

WOODS: What I thought we'd do today is talk about the subject of one of your recent episodes, and since you know much more about this than I do, I'm going to put you in the driver's seat, in effect –

KILLMER: Sure.

WOODS: – from here on. And that has to do with – and is it Major General Smedley Butler? I'm doing that from memory.

KILLMER: Yeah, yeah, that was the rank he was at when he retired.

WOODS: Okay, so I want to talk about him, because he's the author of a classic work that I know a lot of libertarians like, but he's not writing entirely as a libertarian. He's got his own set of views, but how can you resist something called *War Is a Racket*?

KILLMER: Right.

WOODS: Especially with somebody like him, who reached that rank. For him to come out and say it's all a racket of course gets your attention. If I write a book saying war is a racket, people will say, Of course Woods is going to say that; there's no pleasing that guy. But when Major General Smedley Butler says that, well, you sit up and take notice. So tell us something about the biography of this guy. What do we know about him, and do we know anything about the moment his mind changed about all this?

KILLMER: Okay, well, if I may, I can share with you a quote from another essay he wrote roughly around the same time period as *War Is a Racket*, in which he sums up what he thought of his own career in the Marine Corps, looking back on it once it was over. He was a Marine Corps officer for over 30 years. He joined the Marine Corps on the eve of the Spanish-American War and served I think until 1931, thereabouts. It was during the Hoover presidency that he quit. Saw action all over the world, highly decorated, two Medals of Honor, many other high decorations.

This was really a Marine's Marine and a guy who wasn't one of those polished kind of armchair officers or anything like that; this was a guy who learned his trade on the job. He was able to get a commission as an officer in the Marine Corps despite the fact that he never set foot in college a day in his life as a student, and back then there actually were a few avenues where you could become a Marine Corps officer without even going to college. Obviously that has long since gone as an opportunity.

But anyway, these are his words in a 1935 article he wrote for a magazine called *Common Sense*. He writes:

"I was a racketeer. It may seem odd for me, a military man to adopt such a comparison. Truthfulness compels me to. I spent 33 years and 4 months in active service as a member of our country's most agile military force – the Marine Corps. I served in all commissioned ranks from a second lieutenant to Major General. And during that period I spent most of my time being a high-class muscle man for Big Business, for Wall Street and for the bankers. In short, I was a racketeer for capitalism.

"I suspected I was just part of a racket at the time. Now I am sure of it. Like all members of the profession I never had an original thought until I left the service. My mental faculties remained in suspended animation while I obeyed the orders of the higher-ups. This is typical of everyone in the military service.

"Thus, I helped make Mexico and especially Tampico safe for American oil interests in 1914. I helped make Haiti and Cuba a decent place for the National City Bank boys to collect revenues in. I helped in the raping of half a dozen Central American republics for the benefit of Wall Street. The record of racketeering is long. I helped purify Nicaragua for the International Banking House of Brown Brothers. I brought light to the Dominican Republic for the American sugar interests. I helped make Honduras right for the American fruit companies. In China in 1927 I helped see to it that the Standard Oil Company went on its way unmolested.

"During those years, I had, as the boys in the back room would say, a swell racket. I was rewarded with honors, medals, promotion. Looking back on it, I feel I might have given Al Capone a few hints. The best he could do was to operate his racket in three city districts. We Marines operated on three continents."

So that's what he thought of his own career looking back on it in the mid 1930s, and as far as I know, he's the highest ranking military officer in American history to ever go so outspoken and so public against the whole military industrial complex. And obviously *War Is a Racket* is probably the most famous thing that he produced during that period of his life after retirement.

WOODS: And you can read it very quickly, by the way. It's online. I will link to a copy of it at TomWoods.com/791.

KILLMER: Yeah, you know, I actually assign it as one of the primary source documents that we read in my U.S. History II classes every semester, so every student who comes through my class reads *War Is a Racket*.

WOODS: What's the year that it was released?

KILLMER: I want to say it was '35 thereabouts, give or take.

WOODS: That sounds about right. Okay, if you look at it's got just a small — it's got five chapters: "War Is a Racket," "Who Makes the Profits," "Who Pays the Bills," "How to Smash This Racket," and "To Hell With War." So when he says war is a racket, what does he mean? I mean, what basically does he mean by that?

KILLMER: Yeah, he means it in the sense of the way we speak of racket with organized crime. Now, in that essay he never defines it really explicitly. He kind of says something sort of vague about it's something that's not what it appears to most of the public or something like that —

WOODS: Yeah.

KILLMER: — but he doesn't give a definition. But it's pretty clear by what he says throughout the essay that what he means by racket is the same thing when we talked about like the mafia and racketeering laws and that sort of thing. That's what he means. It's a way of obtaining money dishonestly and/or illegally, unethically, and so on.

WOODS: All right, I checked it, and you are indeed correct: 1935. Okay, so war is a racket in that we're presented with all these romantic flag-waving ceremonies and songs and patriotic this and that, and that conceals the true nature of what's actually happening. He has an exceptionally cynical view of war. He really thinks it really ultimately comes down to dollars and sense.

KILLMER: Yeah, yeah, he's very much viciously attacking both the military industrial complex — He doesn't use that term, because that term I don't think was really around yet in the '30s. But he's criticizing that, all the companies that make absurd, inflated profit off of providing goods for the military. And as he mentions in the essay, and this hasn't changed at all to this day, a good number of the goods that these companies make either are shoddy and don't even do what they're supposed to do, or they're made for wars where they're not applicable. So he mentions American troops getting sent to northern Europe in World War I and the government making sure that they buy lots of tropical sorts of equipment that you would want if you were operating in Ecuador or something. And that sort of thing, as we well know, continues to this day. If anything it's greatly larger than it was in his day.

And what really helps is that this is a guy of unquestioned military credentials, and no one could call him some sort of hippie or some sort of left-wing Pinko or whatever, although he did have a few leftish streaks in him. But this is an unquestioned war hero, and he's telling like it is, because he knows it from the inside.

And also, I should mention he mentions in a lot of his other speeches and essays and things, aside from just the profiteering on supplying the war, he also — and this came up in the quote I read a few minutes ago — he also was very perceptive in understanding that oftentimes the interventions themselves were on behalf of some

corporate interest. So it's not a coincidence that Team America's forces invade a particular country if, say, Standard Oil or United Fruit or some Wall Street bank or somebody has massive investments and massive resources and so on in the country that appear to be perhaps under threat by something that's going on in that country. So he understood that angle of corporate welfare as well.

WOODS: I know back when I was in college and I was literally – I mean literally surrounded by communists on the campus. I ran into communists selling a communist newspaper every single night I went to the dining hall, so I was acutely aware of their presence. And they would criticize U.S. foreign policy. They would talk about the 1950s and Guatemala and United Fruit, and they would say the U.S. government is just trying to prop up the profits of investors. And I think there were conservatives who felt like, well, if communists are saying something, I therefore have to say the opposite. So it's good for the U.S. government to go and prop up investors in other countries if they run into troubles with that country's government. Whereas my view is that's one of the risks you run investing in other countries. There's a possibility that hostile forces could come to power. That's the chance you take. Those are the dice you roll, and I think that's implicitly what Smedley Butler's trying to say.

KILLMER: Yeah, I agree entirely, and I think that it's important in a way to emphasize the notion that this idea – and certainly I think it is appropriate to connect it back to Alexander Hamilton's ideas – the idea that the government should help the wealthy, that the interests of the wealthy elite and the government should be the same. Well, really all that is is a form of welfare. It's simply welfare to those who are already wealthy. And we might object to all forms of welfare and redistribution across the board, but to me there's something particularly disturbing – Like, if you think that a kid getting, I don't know, food stamps or something is wrong, shouldn't it be even more kind of grating, even more disturbing, when millionaires and billionaires are essentially getting welfare from the state? I mean, to me it seems like if we're going to prioritize and triage which forms of welfare are the most disturbing and unjust, maybe we would start with the sorts of things that Smedley Butler's talking about, and we can get to milk subsidies later.

WOODS: Yeah, that's sort of been my view, indeed. So who indeed – according to Chapter 3, who pays the bills?

KILLMER: Well, of course the nation as a whole through taxes. One thing he doesn't mention – but he was a career officer in the Marine Corps, not an economist, so we can't expect him to pick up on everything. I'm pretty sure he doesn't mention inflation, although obviously in modern wars inflation is one of the main ways that they pay for wars. Wasn't it something like a third of the cost of the Vietnam War at the end of the day was really paid for by inflation? So he doesn't mention that, but he does mention the taxes. He mentions people being conned into buying war bonds, which aren't even good investments at the end of the day.

And then of course as a guy who spent a lot of time actually in combat zones leading men into danger, he's particularly perceptive and sensitive to the men on the frontlines and how they pay the costs more than anybody else, and of course their loved ones back home as well. He talks of course about all the suffering that the

common frontline soldiers go through, the risks, the possibility of death, the possibility of maiming.

And he also talks a little bit about – I forget the exact words he puts it into, but he clearly understands the basic idea of what today we would call PTSD, that people who – even people who come through the war physically in tact can often times be warped psychologically or whatever you want to call it for the rest of their life.

And he talks about also the nation as a whole, another way the nation pays for it – and this I give him credit for being very perceptive of – is through propaganda, that the nation is so propagandized in modern wars that it kind of warps the psychology of the nation. And he doesn't put it this way, but it seems inevitable that it would set the stage for people to be keen to go to war again next time, because they've already absorbed so much propaganda during the last war. And he talks about the whole notion that everybody thinks that God is on their side, and of course in World War I the German government is telling the German soldiers that God's on their side, and he really kind of digs into that a big cynically and skeptically.

WOODS: Now, then when we get into Chapter 4: How to Smash This Racket, he swears of disarmament conferences and signing petitions and having an International Day of Peace or whatever. He says well meaning but impractical groups can't wipe it out by resolutions. And he may have in mind, from 1928, the famous Kellogg-Briand Pact, in which the signatories all pledged not to use war to settle their disputes. He just says that – you put that next to giant dollar signs, and those little pieces of paper are going to come in second place next to the giant dollar signs. So then therefore, what is, in his view, the only legitimate hope you have to smash this racket?

KILLMER: Right, and his views on this sort of thing I think are pretty close to something like the America First Committee. I think at the end of the day he's a populist, and there are some elements of his belief system that seem to be kind of left-populist and some elements that are kind of right-populist. And towards the end of his life, kind of the second half of the 1930s, I think he was, in terms of his views on foreign policy and military policy, more and more sympathetic to the overall ideas of something like the America First Committee, though I think he died before that group really got up and running.

But he advocated for a strong defense for the United States. He was no pacifist, he was no anarchist, but he really, really wanted to try to make it so that America's defenses would be strong but really not geared towards or capable of long-range offensive operations, which are precisely the sorts of things that he had done as a Marine officer for decades. The Marine Corps was always involved in these "small wars" in places like Latin America and the Caribbean and Southeast Asia. Of course it didn't seem small to the people who lived in those countries, I'm sure.

But he wanted there to be a strong defense that was not capable of going long-distance overseas and being really used for offense, so he advocated certain restrictions and rules regarding what kind of naval craft he would have. He advocated other reforms designed to take the profit out of war. He basically wanted laws that would make it impossible for corporations to make inflated profits off of war, because

he thought that would then take away the incentive for corporations to try to lobby politicians to have a more aggressive foreign policy.

One of the proposals he supported was to, if the state is going to go to war, the last thing before it's possible to happen is that a sort of plebiscite is taken, but only amongst those who are actually active in the armed forces. And I think that's an interesting one. We could probably imagine that if they did that today, if that was a rule, and assuming they didn't just find a loophole and get around it of course, that maybe some of our recent wars wouldn't have happened if they had to actually take an honest poll of the active duty military and say, Hey guys, how keen are you on jumping into Syria? Might have gone down in flames, I think, considering how many of those people donated money to Ron Paul back when he was running.

So those are some of his reforms. There are others that aren't coming to mind. I mean, my basic conclusion on those reforms is that some of them are interesting and might make things slightly better; on the other hand, I'm too much of a cynic to think that, a) the sorts of reforms that he's advocating are likely to ever be passed by the very politicians who benefit from things the way they are, and b) that if by some miracle some of these things did get passed, I don't have much faith in these people to abide by this, to abide by these restrictions, considering how masterful they are at getting around every sort of rule and reform and limitation and so on that's been imposed on them going right back to the Bill of Rights itself.

WOODS: Well, agreed. Now, this is a short little book, and my understanding is that it was excerpted in *Reader's Digest*, which got it a fairly substantial audience. I don't know what lasting effect it had, other than as something of a cult classic these days, and I don't know how many similar things have really been done by people in the military. You do get some occasional — after a war you get some occasional regrets about it. What do you think of the significance of Smedley Butler in the grand scheme of things?

KILLMER: Well, I think that he should have more significance, because to the average mainstream person he's simply not well known. To people like you and I and kind of the sorts of people who listen to our shows, a lot of people at least basically know who he is and probably are familiar with *War Is a Racket*, whether they've actually read it all the way through or not. But the general — And there are some antiwar leftists, I'm sure, who are also familiar with it, no doubt.

But the general kind of mainstream public, the vast majority of them don't even know who Smedley Butler is, and that's kind of what I was trying to do with that episode of my podcast and also what I'm trying to do every semester when I have my students in U.S. history read it, and then we have a discussion about it the next class — And in a larger sense, this is kind of what I'm trying to do with my podcast in general, is to bring up these stories and figures and points of view and so on in history that have been, whether by accident or deliberately in some cases, I think, neglected, kind of left in the memory hold.

Because Smedley Butler was a contemporary of a lot of the most famous generals in American history: Douglas MacArthur, Eisenhower, Patton. These are roughly the same generation of generals. He was right up there in terms of how decorated he was and

all these sorts of things. But very few people just walking around today who aren't in our circles have any clue even who this guy is. And part of it I think is that he retired in the early '30s, and so he was not still in active service when World War II happened, and that's of course where a lot of these guys like MacArthur and Eisenhower really made their fame. And part of it — And of course he died in 1940, actually, before Pearl Harbor anyway. So part of it is kind of that, I think, why he's not better known.

But part of it I think is deliberate, that what he said and did during the last decade or so of his life when he was an outspoken antiwar, anti-military industrial complex activist — In the last few years of his life he was very vehement against America getting involved in World War II. I mean, he was really a radical against that, very outspoken on the radio, talking to veterans' groups and all these sorts of things.

And so I think part of why Smedley Butler has, as far as the mainstream's concerned, been consigned to the memory hole is that the kind of mainstream court historians don't really want to talk about a highly decorated general who went off the reservation this much. They're willing to talk about Eisenhower and say, yeah, isn't it interesting, his farewell address, and what he said there. But they don't want a guy who retired and spent an entire decade railing against the American military system and war profiteering and all this sort of thing, because it ruins the narrative.

So I'm just trying to, with my podcast and with my classes, kind of bring this back up to people's attention and go, Isn't this kind of important that a guy who was this decorated and accomplished of a military officer actually had this to say at the end of his career?

And I'll just mention that when I cover *War Is a Racket* in my classes, most of the time the students who are the most kind of excited by it and just over the top in agreement with what he's saying are veterans. I have a lot of veterans coming through my classes, and they tend to be the most receptive to and sympathetic with Smedley Butler's message in *War Is a Racket*, and so because of that I think to veterans in particular this guy who clearly is one of their types of people — who was not an armchair general, who was a rough and tough Marine, highly decorated in combat — his words, his way of putting it has a lot of pull with people who otherwise might not be receptive to that message.

WOODS: Well, he's a fascinating guy. People will enjoy his punchy prose. Man, that prose comes right off the page, right in your face, especially when he's dripping with sarcasm about the patriotism of the war profiteers, saying, Oh gosh, what a sacrifice they made to double their profits during the war. Wow. What these young kids did, going and getting their limbs blown off, is nothing compared to this — I mean, he's just — it's just devastating to read. So I'm linking to that. I want to link of course to ProfCJ.org as well as DangerousHistoryPodcast.com. Those will both get you to the same place?

KILLMER: Yes.

WOODS: All right, and check out the list of episodes that you'll find there. You're going to be amazed at the variety of topics that are covered. It's going to be your new favorite — I don't want to say it'll be your new favorite podcast. It might be tied for

your favorite podcast; let's put it that way. But it's going to be a resource you're going to be glad to know about, that all of these episodes exist and that more are being produced all the time. There are a lot of other topics you and I could talk about. Let's make sure and do that sometime soon.

KILLMER: That sounds great. I'm game.