

The '1938 Churchill switch' in Great Britain's strategy

by Mark Burdman

In a commentary issued one day after the June 9 British general elections, the Soviet news agency TASS surpassed its usual capacity for lying and invective and issued an attack bordering on rug-biting hysteria.

TASS accused the British press of having used a campaign of "lies and slanders" to pre-rig the exceptional landslide victory of Prime Minister Margaret Thatcher. Leaving aside "pot calling the kettle black" generalities, TASS blasted former British Prime Minister James Callaghan for having broken two weeks before election day with the unilateral-disarmers dictating the opposition Labour Party's policies and thereby having ensured Maggie Thatcher's magnitude of victory. TASS cited specious statistics on voting patterns and voter participation to prove that the British population still supported the KGB's version of "peace," and quoted then-Labour Party Chairman Michael Foot (who was forced to resign his post over the ensuing weekend) that the Thatcher victory was a "tragedy for the nation."

Estimates are that the Soviets are not reacting simply to the end of their hopes for using a significant Labour vote to build the "peace movement" in Europe, nor the fact that some of their favorites, like Fabian glamour-boy Anthony Wedgwood-Benn, had lost their bids for re-election to Parliament. It is much more likely that the Soviets had come to the uncomfortable realization that the election results are only a symptom of, or an impetus for, an increasingly visible shift in the strategic thinking of the British elites—a shift that may put some halters on the Red Czar Yuri Andropov's designs to establish Moscow as the capital of the Third (and final) Roman Empire.

EIR is in a privileged position to know how this process

has been evolving. In off-the-record discussions with influential members of the British military, political, religious, and financial establishment, as well as through monitoring of subtle changes of emphasis in Mrs. Thatcher's public policy statements in the days leading up to the election, *EIR* has ascertained that key British policy makers are in the first phases of a strategic shift identical in basic outline to shifts that the British have made twice before during in this century.

The normal British tendency is to carry on with their incompetent—and evil—system of East India Company-modeled Malthusian economics and corresponding strategic policy: the unique combination of colonialist raw-materials looting and gunboat diplomacy that has kept the British System alive while pitting Britain in fundamental antagonism to the American System of global development and support for sovereign republics. Under such "normal" circumstances, the British establishment, whether religious, intelligence, or the monarchy itself, will also support the most wild-eyed geopolitical cultisms, typified by the Astor and Chamberlain families' (the Cliveden Set's) admiring support for Adolf Hitler and the Nazis, or intelligence chief Arnold Toynbee's fawning promotion of Khomeini-predecessor irrationalisms in the post-World War II period.

This century's history, and the present moment, bear witness to what happens when "the fear of the Frankenstein monster" takes over. At that point, the British are wont to support the forced-development buildup of American military might—and aspects of the Hamiltonian dirigist policy that such a buildup requires—in the interests of their own survival.

Beginning in 1902, a faction of the elite British Round

Tables, personified by gamemaster Lord Alfred Milner, sensed that the Venetian diplomatic intrigues of the past decades, mostly through the agency of London itself, had preordained war on a major scale. Milner determined that Britain itself had to adopt a Hamiltonian direction of military policy, abandoning certain aspects of the past years' antipathy to science and economic growth. This was manifested in H. G. Wells's "high-technology" factional triumph over anti-science fanatic Bertrand Russell in the Coefficients inner circle of the Round Tables in the years leading up to the World War I.

More directly on the minds of relevant influentials in Britain today is the precedent of Winston Churchill in 1938-39. Up to that period, Churchill had done everything in his power to cultivate the Nazis as a battering-ram into the East, to depopulate Europe in a nest of continental wars. When Hitler began to threaten Britain directly, Churchill shifted gears, and supported the idea of a joint Anglo-American war against the Nazis, and, inclusively, a crash development of the American military and industrial complex. British assets across North America were mobilized during that period to back up Franklin Roosevelt's war mobilization, against the subversion efforts of the Swiss-controlled John Foster Dulles and other leaders of the isolationist movement.

The present conjuncture

Today, Frankenstein is on the march again, in the persons of the Andropov-Aliyev Third Rome cultists ruling in the U.S.S.R.

For the better part of a century, with increasing frequency in the post-World War II period, elites of the Church of England and the British intelligence establishment had thought they could cultivate and manipulate the development of Holy Mother Russia irrationalism in the U.S.S.R., to build a blood and soil belief-structure that seemed to fit into the global strategies of the British Empire. But now, that game has gone out of British control: not only does Andropov himself represent a threat to the maintenance of British global interests, but the apparent erstwhile friends of the British in Geneva and Lausanne have decided to cut a separate deal with Moscow, in pursuit of a Central European "Reich" premised on the demotion and eventual destruction of the United States and Great Britain itself.

Support for Reagan strategic policy

In the interest of survival, certain British elites are swallowing their pride and determining an approach to opposing this new Hitler-Stalin Pact.

In private, with indications that this could soon become a public campaign, British military strategists have expressed support for President Ronald Reagan's March 23 strategy of rapid development of anti-ballistic missile systems in space, despite reservations about what this will do to Britain's own



Churchill in London during World War II.

independent nuclear deterrent in the long run. These strategists, several of whom had formerly had command posts in branches of the British armed forces, also expressed support for a World War II-level buildup of the American economy, based on this ABM-development direction.

"The Reagan speech was not the Star Wars pie in the sky people think it to be," one of Britain's most prominent military officials commented in an off-the-record discussion. "Research and development has gone a very long way on this front, and it will go faster, faster, faster. The ability to mobilize the economy accordingly is an important issue. Tendencies in such directions will increase here after Mrs. Thatcher's victory, although not on the scale of what would be done in the United States. . . . There is a kind of Churchillian reflex emerging; what is required is the development of capabilities to meet the threat. The great majority will vote Thatcher," he commented on the eve of the June 9 elections, "and this will end the opposition parties' attempts to sabotage our defenses.

"In the next days," he concluded, "we will have to find appropriate forums to move this policy along, and we need campaigns to mobilize people behind the policy."

Another member of the British military establishment's inner elite stated, "Reagan's policy is the only way to get peace with Moscow, and any kind of real disarmament. From this standpoint, a 1939-43 buildup of the American economy is a good thing. I'm only concerned that there isn't the will to see the commitment through."

Similar sentiments have been expressed by a faction of the Church of England's religious establishment, which regards the U.S.S.R. as in reality a "sacral kingship" involving a joint church-state rule aiming at "world domination." Said one influential Anglican official, "What Reagan said on March 23, and the results of the British elections here, are what are needed to meet this challenge. The opposition to Reagan in religious circles in the West comes from misinterpreting his policy, and from fear of the power of the U.S. that this policy implies."

'A new industrial revolution'

This sentiment favoring ABM systems development has not evolved into a full-blown program for global industrial recovery, but certain trends in that direction can be seen.

As the day approached for the June 9 elections, Mrs. Thatcher began to focus, in speeches and electoral advertisements, on the theme that Britain required "space-age technologies" as the means to "drive the economy out of recession." In one formulation, she declared, "We carried out the first industrial revolution. We can do it again."

Leaving aside the historical fact that Britain did not generate the first industrial revolution, the statement indicated directions of action.

Upon re-election, as part of her cabinet reorganization, Mrs. Thatcher concretized two general trends. First, by removing Foreign Secretary Francis Pym, she eased out those components of her government more favorable to the Pugwash back-channel approach with Moscow, and put the governing team more under her direct control. Second, she decided to merge the Ministries of Trade and of Industry into one super-ministry, under the direction of Thatcher loyalist Cecil Parkinson, the Conservative Party chairman.

Reporting on this latter move, the *Sunday Times* of London asserted that "Parkinson's role will be to preside over a revived export-oriented and technology-based British industry." In the same June 12 edition, the *Times*'s Roger Eglin raised the possibility that this new ministry could be based on Japan's development-oriented Ministry of International Trade and Industry (MITI), the experience of which, he noted, "reflects the importance of co-ordination. MITI lists in a matrix all the industries for which it is responsible set against the important export markets. This helps focus policy-making on the central point: what are we doing for that industry in the market?"

Writing in the same day's mass-circulation *News of the World* tabloid, Parkinson declared that his new ministry would "encourage new industries and growth," and would help loosen the control of the "nanny-state mentality" on the British population.

Several sources have told *EIR* that by no means does there yet exist a fleshed-out, clear-cut sense of how to achieve industrial regeneration in Great Britain; and many of Thatcher's advisers equate space-age technologies with mere post-

industrial computerized gadgetry. Nonetheless, critically placed elements of the Conservative Party are now studying how a situation can develop where "new technologies can have an actual effect on the base of the economy, rather than just being post-industrial in content," as one source put it.

One most intriguing sign in this regard is that two days after the election, the *Daily Telegraph* leaked a heretofore confidential program by Great Britain's Central Electricity Governing Board mapping out the building of seven new nuclear plants, at a cost of £7.8 billion, over the next years, beginning with construction of a plant based on an American nuclear power plant design in 1987.

'Look at the Swiss'

The Adam Smith free-trade bias is so strong in Thatcher's circles that there is a reluctance to swallow the second bitter pill dictated by the current global situation: overall reorganization of international debt in negotiation with a cartel of debtor countries, as an alternative to the *Götterdämmerung* approach to the financial crisis taken by the Swiss and their continental European allies. At this point, however, a debate has begun within British circles on this question, with certain groupings willing to entertain the option devised by *EIR* founder Lyndon H. LaRouche, Jr. for the industrialized countries' banks to negotiate with a cartel of debtor countries, an option known internationally as "Operation Juárez." The "higher interest" of saving Britain's own banking systems from Switzerland's financial holocaust has overridden, in these cases, the awareness that Operation Juárez was first launched by LaRouche in response to the British military misadventure against the Malvinas Islands in 1982!

In the wake of a recent Bank of England memorandum declaring the continental European banking groups to be in opposition to British approaches to the debt problem, British financial and strategic circles are pointing to various Swiss dirty tricks.

● According to one British source, investigations are now ongoing in the United Kingdom along three paths: "Leakage through private Swiss firms of military-related high-technology to the Soviet Union." British sources expect an industrial espionage scandal along these lines to break out in the near future.

● "Soviet use of Swiss banks as a ground for launching financial warfare against Europe and North America," in particular through Soviet gold dumping being used to undermine the European Monetary System.

● Soviet-Swiss collusion in manipulating Arab financial interests to pull funds out of Western banks and launch a global financial crash.

Anticipating that more information will surface on the Swiss role in undermining the American banks and, secondarily, the British banks, a British financial source commented, "The Swiss approach to finances is like thinking you can launch a limited nuclear war and contain it."