

# Will Major survive the sinking Tory Titanic?

by Mark Burdman

As the British Conservative Party's internal wars escalated during the week of June 26, it did not go unnoticed, in circles that matter in London, how warmly German Chancellor Helmut Kohl and French President Jacques Chirac greeted beleaguered British Prime Minister John Major, when he arrived for the Cannes summit of European Union leaders on June 26. That perception was reinforced, when host Chirac praised Major, during a June 27 press conference: "In the difficult position of Britain, one should not make more difficult the task of John Major, who embodies, with lots of elegance and intelligence, an England which is, at the same time, modern and traditional." Chirac reported that he had intentionally kept items off the summit agenda that might have been sensitive for a Major who is confronting a massive challenge from the anti-European so-called "Euro-skeptics" in the Conservative Party. Kohl concurred, that all contentions had been avoided, that might have created domestic problems for "our friend" Major.

Observers stress that Chirac, Kohl, and also U.S. President Bill Clinton will be hoping that Major prevails, in the short-term, in his battle inside the Tories.

This is not based on any great love for Major, who has been likened to an empty suit of clothes. Rather, first, it would be in the interest of the White House and the continental European leaders to keep at bay the Thatcherite berserkers in the Conservative Party who are leading the charge against Major. Second, these western leaders would desire Britain to have a government sufficiently weakened and malleable, that it could only minimally obstruct plans for infrastructure development in Europe, and the reform measures that are necessary to remedy what Chirac has called the "AIDS virus" of uncontrolled speculation which is devastating the world economy.

The most optimistic, but not necessarily likely scenario, is that Britain's turmoil will force into being a new notion of political self-identity among segments of the elite and population in England, Scotland, and elsewhere, and that the United Kingdom will break loose from the stranglehold of the oligarchical "Venetian Party" that has controlled the country for the past three centuries. This possibility becomes "thinkable," at a time when the global system that that oligarchy directs from London, is in an end-phase historical crisis. Chirac's praise of England in the indicated manner, might

point to outside support for such a trend.

The more pessimistic scenario, is that an arrangement will be cobbled together, in the short to medium term, between the usually irreconcilable Thatcherites and the Labour Party led by Tony Blair. They would concur, that authoritarian, austerity-oriented, "post-welfare-state" policies must be put into effect, likely under a Blair-led regime. Under such conditions, Britain would play an even more destabilizing global role than it has played under the foreign policy direction of outgoing Foreign Secretary Douglas Hurd. Recent days' mutual praise of Thatcher and Blair, points to that possibility.

## 'We've already hit the iceberg'

It may well be that the attempts by the leaders of the United States, France, and Germany to throw a lifeboat to Major, are already too late. On June 26, one London source characterized what is happening: "You know, the situation here in Britain is rather like the *Titanic*. I find all this talk amusing, of appointing a new captain for the ship—after we've already hit the iceberg! We hit it some time ago, and the ship has been sinking, but some people don't want to realize it. The band still plays on, but the *Titanic* goes down."

Major's strategy has been one of desperation. On June 18, he returned from the Group of Seven summit in Halifax, Nova Scotia, where questions about his domestic problems had dominated his press conference. On his return to the U.K., the British press, led by the Hollinger Corp.-owned London *Sunday Telegraph* on June 18, was filled with "suggestions" that he might soon be resigning, or with editorials that he should step aside.

Under such conditions, Major attempted a maneuver that is being called the "suicide option," or the "put up or shut up" ploy. On June 22, he resigned as party leader, using the threat that the Conservative Party would descend into chaos and be slaughtered in coming general elections, unless it stopped squabbling and rallied behind his leadership. He affirmed that if he was not reelected as party head, he would step aside as prime minister.

The next day, Hurd announced that he was resigning, effective the moment that whatever government takes shape in the coming days, carries out a reshuffle of the cabinet. The source said that "by doing this, Hurd is signaling that he is leaving a sinking ship."

Then, over the June 24-25 weekend, rumors began to circulate throughout Britain, that a member of Major's cabinet, Welsh Secretary John Redwood, would challenge Major. According to reports, Redwood worked out an accommodation with former Chancellor of the Exchequer Norman Lamont, whereby Lamont would drop his own plans for an anti-Major challenge. Lamont has sought revenge against Major ever since he was sacked as chancellor, when he was held responsible for the fiasco of Britain's September 1992 withdrawal from the European Exchange Rate Mechanism (ERM). He has since become a director of N.M. Rothschilds

merchant bank. It is certainly more than coincidence, that Redwood had also been with N.M. Rothschilds early in his career. That merchant house has played a key role in advising the British and other governments on measures to "privatize" large segments of the economy. Both Redwood and Lamont are solid "Thatcherites."

On June 26, Redwood, with Lamont standing at his side, declared that he would be resigning from the Major cabinet and mounting a challenge for the leadership.

The situation as we write on June 28 is as follows: After Redwood's nomination is technically certified on June 29, the ballot for Conservative Party leader takes place on July 4. To win, Major requires a majority of the 329 Tory parliamentarians who are eligible to vote, and must also have 15% more votes than his challenger. The vote is by secret ballot, giving greater scope for all sorts of intrigues. Under these circumstances, abstentions become all-important; were there to be a significant number of them, combined with a bloc of Redwood votes, he could be denied the required 165 figure.

Should Major fail, there will be a second round of voting on July 11. His position will, in any case, have been so undermined, that it is unlikely he would contend further rounds. Other cabinet members could then jump in. London sources speak of an ensuing "battle of the Michaels," between President of the Board of Trade Michael Heseltine, regarded as a moderate on economic issues and relations with Europe, and Secretary of State for Employment Michael Portillo, a hard-core Thatcherite.

### Rees-Mogg's bloody drama

Redwood himself was praised to the skies by former Prime Minister Baroness Margaret Thatcher, at the Washington, D.C. National Press Club on June 26. She recalled that he had served as the director of her 10 Downing Street policy unit, during 1984-86.

Redwood was also lauded by former London *Times* editor Lord William Rees-Mogg, in a June 26 *Times* commentary. In that piece, Rees-Mogg took a number of nasty digs at Major, under such headings as "John Major Has Set in Motion a Drama He Cannot Control. The Second Act Is About To Begin." He likened Major to the main character in a 1713 play, *Cato*, by Joseph Addison, in which the Roman Cato "commits suicide in Act Five." In the real-life drama now unfolding, Major was losing control over the script, with the "new facet of the plot" being the entry of "serious challenger" Redwood into the race. "The drama is beginning to get out of hand," his lordship stressed. "Most Conservatives would prefer the red meat on offer from Redwood, to Major's nut cutlets," he claimed. Redwood stands for "traditional values, market economics, less government, and lower taxes."

Rees-Mogg is a chief spokesman for the Club of the Isles, an elite grouping led by the British House of Windsor. He has repeatedly insisted in recent articles, that the "welfare state" must be dismantled. His partner in crime, Sir Peregrine

Worsthorne, in a May 21 London *Sunday Telegraph* commentary, argued that the implementation of Rees-Mogg's prescriptions would require a "form of authoritarian politics" so that "cruel belt-tightening [and] bitter medicines" could be "forced down the throats of body politics." The devastating implications of such policies were otherwise exposed by *EIR*, in a review of a new book by two Thatcherite "New Right" ideologues (see *EIR*, June 30, p. 68).

### Sir Henry and the twilight of the oligarchy

The backdrop to the mouthings that Rees-Mogg typifies, and to the political intrigues now taking place in Britain, is an incredible density of highest-level Club of the Isles activity in and around London at this time.

On June 19, as the attacks on Major from within Britain were reaching a crescendo, Thatcher was invested with one of Britain's highest chivalric honors, the Order of the Garter. Lord Peter Carrington presided over the ceremony. The June 20 *Daily Telegraph* depicted her in a color photograph, decked out in the costume of the Order, looking like a pompous goose, while her husband, Sir Denis, looked laughingly on.

Also on June 19, former U.S. Secretary of State Henry Kissinger and wife were the guests of honor at a dinner hosted by Hurd. The next day, Kissinger was dubbed, by Queen Elizabeth II, "Honorary Knight Commander in the Most Distinguished Order of Saint Michael and Saint George (KCMG)," an honor granted "in recognition of Kissinger's contribution toward Anglo-American relations," in the words of a June 13 British Foreign Office press release.

Sir Henry was given a place of honor in the queen's carriage, to attend the Royal Ascot races. A Buckingham Palace spokesman declared that it was "most unusual" for an honorary knight to be so "honored," especially as the Royal Ascot is *the* social event of the season for Britain's high society. The June 21 *International Herald Tribune* ran a front-page photo of him in the carriage, accompanied by the queen and Royal Consort Prince Philip. Looking every bit as ridiculous as Thatcher the day before, Sir Henry was wearing a top hat, as was Philip.

That evening, Kissinger was one of a multitude of guests invited to the wedding party of Jemima Goldsmith, daughter of billionaire wheeler-dealer Sir James Goldsmith, and Pakistani cricket star and playboy Imran Khan. The party continued throughout the week of June 26, as 1,300 invited titled nobility and their political and financial retainers descended on London for the wedding of Greek "Crown Prince" Pavlos to American-born heiress Marie-Chantal Miller, daughter of a British billionaire.

But the mood in such circles may not be entirely upbeat. The *Götterdämmerung* atmosphere prevailing in the higher echelons of the Conservative Party, reflects the twilight-of-the-gods mood in an oligarchy that knows that the seeds of its own destruction are contained in the rapidly accelerating process of disintegration of the global financial system.