
III. The Empire Restored

Chatham House issues the marching orders

by Allen Douglas

U.S. President Franklin Delano Roosevelt planned to eliminate the British Empire from world history, as the memoirs of his son and wartime aide, Elliott Roosevelt, document. But, upon his death in April 1945, FDR's plans were interred with him. The British instead pitted the former allies, the United States and Soviet Russia, against each other, as immortalized in Churchill's "Iron Curtain" speech of 1947, and so continued to flourish from 1945 until the disintegration of the Soviet Union during 1989-91.

As the Berlin Wall fell, the British saw, on the one side, a crumbling Soviet Union; on the other, a United States rotted out by 30 years of the rock-drug-sex counterculture and post-industrial decay. The time was ripe, they decided, to reestablish their empire; but this time, it would rule the *entire* world.

From the early 1990s through 1995, a series of studies and conferences on how to do this, were conducted under the auspices of the Royal Institute of International Affairs (RIIA) in London. The year 1995 alone saw the following: a one-day RIIA conference, "Britain in the World," attended by virtually the entire foreign policy elite of Britain; an RIIA report, "Discussion Paper 60: Economic Opportunities for Britain and the Commonwealth," by Australian academic Katharine West; and a soon-to-be-released study of the House of Commons' Foreign Relations Committee, whose chairman, David Howell, was a prominent conference participant.

To understand the RIIA's plan to use the Commonwealth as the vehicle to formally reestablish the Empire (the theme of West's report), one must look at the history of the RIIA itself. After all, this body, officially established during the Versailles peace negotiations which ended World War I, *created the Commonwealth* in the first place.

The RIIA grew out of the "Round Table" group established in the 1890s by South African gold and diamonds magnate Cecil John Rhodes. Rhodes preached, as stated in the first draft of his will, "the extension of British rule throughout the world," which would include all of Africa, all of Asia, and "the ultimate recovery of the United States of America as an integral part of the British Empire."

The ideology for the project was provided by Rhodes's teacher at Oxford in the 1870s, the homosexual art critic John Ruskin. Ruskin had spent most of the middle decades of the

century in Venice, studying the art, culture, and methods by which that tiny city-state had dominated much of the world for over half a millennium. Ruskin called for the establishment of a world-ruling British empire on its model, and a return to the "pre-Raphaelite" (pre-Renaissance) pre-nation-state era—that is, to feudalism.

But the tubercular, bombastic Rhodes was merely a front man for much deeper power—that of the British Crown. One of the three founders of Rhodes's group, together with Rhodes and journalist W. T. Stead, was Reginald Balliol Brett (Lord Esher), the chief adviser to King Edward VII from 1901 until Edward's death in 1910. From 1905 until he died in 1930, Esher was the *de facto* chairman of the Committee of Imperial Defence, which had reorganized the forces of the Empire for World War I, and which shaped the contours of the postwar world.

The Commonwealth was the old Empire, in the altered form dictated by Britain's changed circumstances following World War I. Round Table theoretician and RIIA founder Lionel Curtis expressed that reality in his 1917 book *The Problem of the Commonwealth*. In it, he proposed "to transform the Empire of a State in which the main responsibilities and burden of its common affairs are sustained and controlled by the United Kingdom into a commonwealth of equal nations conducting its foreign policy and common affairs by some method of continuous consultation and concerted action."

The RIIA, established in 1920 and granted its royal charter in 1926, embodied the "method of continuous consultation and concerted action" that Curtis called for; it spun off progeny all over the world, such as the New York Council on Foreign Relations and related "institutes for international affairs." So, by 1989, when the Berlin Wall fell, this group moved to reestablish the empire in all its glory, the subject of the RIIA's "Discussion Paper 60," put out by West.

The West report

West wrote her paper while based at the University of London's Institute of Commonwealth Studies during 1994. That institute is a cornerstone of the RIIA; in recent years, it has sponsored an endless stream of studies, doctoral dissertations, and books which laud the "grandeur of Britain's colonial era," whether in the Raj, on the gold- and diamond-bearing reefs of Africa, or in the deserts of Arabia. These studies have in turn spawned popular movies on the colonial period—all propaganda for the return of the empire.

West's paper, however, is not a publicity piece, but rather, as she describes it, an insider's "policy- and action-oriented" manual, in which she establishes several themes:

1. Britain must not fixate on Europe, whether in the form of "Euro-skepticism" or "Euro-integration," but must extend the power of the City of London, whose enormous financial and corporate power she catalogues, worldwide.

2. The natural vehicle for this expansion is the Commonwealth, whose 52 countries—one-third of all those in the

world—should be used as a “foot in the door” to take over non-Commonwealth countries.

3. Most crucial in this process, is the power of “the people’s Commonwealth,” the enormous non-governmental organization (NGO) apparatus which girdles the globe, and which already dominates many nations.

4. The greatest source of remaining loot in the world is not in the financially exhausted Europe, but in the Asia-Pacific region, where Britain must concentrate its efforts.

5. The continent of Australia is a perfect case-study of the sort of “mutual exploitation” (as she disingenuously terms it) between Britain and the Commonwealth, and is the base from which the empire must launch its conquest of Asia.

To begin, West reviews the reach of the Commonwealth, that “cross-section of the international community, with its nearly 1.5 billion people inhabiting all the continents, living in one-third of the world’s nations and constituting one-quarter of the human race.” In particular, she says, look at the Commonwealth’s “web of relationships with a wide range of multilateral organizations,” such as the Organization for Economic Cooperation and Development (OECD), the Asia-Pacific Economic Cooperation (APEC) forum, the Association of Southeast Asian Nations (ASEAN), the Group of 15, the Group of 77, and so forth. It must coordinate its numerous members in these bodies, West stresses, in order to dominate them, and thus every part of the world (see box). In many ways, she says, the Commonwealth is already more powerful than the United Nations—another organization which its 52 members effectively control.

Crucial to the Commonwealth’s power, is the vast NGO structure: “Those who have wrongly forecast the demise of the Commonwealth have been ignoring the breadth and depth of the ‘people’s’ Commonwealth and of the links which bind it outside the deliberations of member governments and their officials. The ‘unofficial’ Commonwealth is widely known to contain an impressive and ever-enlarging pool of knowledge and expertise, whose extent and quality have implicitly been undervalued in the inappropriately hierarchical ‘two-tier’ concept.” West here protests the idea that nation-states have a higher order of juridical and moral existence than NGOs.

What is most needed, she says, is a “strategy which would allocate responsibilities and resources between ‘official’ and ‘unofficial’ parts of the structure strictly on the basis of who would be best able to formulate and implement specific policies and programs. If the whole of the future Commonwealth would amount to very much more than the sum of its present two parts.”

The ‘informal financial empire’

But what is the strategy to which all must be subordinated? It is that which it has always been, for any empire—finance and trade. In this new “post-Cold War environment,” in which “much more emphasis is now being placed on the economy than on security,” she intones, all must be deployed, as in

Venice, or in the British Empire in its hey-day, in their service. The drive for a reestablished British Empire stems from “the experience of empire and the dynamics of an *informal financial empire that maintained its vibrancy long after the formal empire went into decline*” (emphasis added).

The cornerstone of the British Empire, West says, was always free trade, and that must now be expanded: “For maximum freedom and flexibility, the ideal environment is one where the structures of international economic and financial relations have been established on a global free trade basis.” With the disappearance of national boundaries through deregulation, privatization, the establishment of the World Trade Organization, the spread of NGOs, etc., there is nothing which can stop this empire, and all of its manifold assets must be deployed to serve this end.

One such asset is “human rights.” “Since it was launched in 1987,” she says, “the non-governmental Commonwealth Human Rights Initiative (CHRI) has always been most emphatic that *effective human rights performance is a major determinant of economic progress*, significant for individual Commonwealth member states and for commerce between them” (emphasis added).

And it was to facilitate looting, she makes clear, that the entire gamut of “good governance” prescriptions and enforcement mechanisms set up by the Commonwealth in its 1991 summit in Harare, Zimbabwe (which was presided over by the Queen), was established.

Any government which stands in the way, will be crushed. Such a recalcitrant government, she emphasizes in one of only three recommendations with which she concludes her report, is that of Nigeria. Here she steps out of the apparently benign, “Aesopian” posture of her report as a whole, to stick in the knife and twist it. Her “Recommendation 2” bemoans the “credibility gap” between what the Commonwealth says, and what it does. She is talking about Nigeria: “In the lead-up to the 1995 Commonwealth Heads of Government Meeting, the most highly publicized credibility gap has related to the lack of a decisive Commonwealth response to the arbitrary infringement of human and democratic rights in the West African military regime of Nigeria, which has unambiguously failed to govern within the norms of Commonwealth membership as set out in the Commonwealth Heads of Government Harare Declaration of 1991. At the 1995 summit meeting in Auckland, the Nigerian issue will provide a key test of whether the Commonwealth is that rare kind of international association: *one which really means what it says and is prepared to act on it*” (emphasis added).

She notes, with satisfaction, that the CHRI Advisory Commission recommended sanctions, in order to bring down the Nigerian government.

While West was writing, others were working. The RIIA had planned, in its March 1995 conference “Britain in the World,” to showcase a new ruler of Nigeria, Gen. Olesgun Obasanjo, who was to take power as the result of a coup under

way in late 1994 and early 1995. In the event, scheduled speaker Obasanjo couldn't make it—he was arrested in Nigeria for his role in the plot.

Target: the Asia-Pacific region

Beyond Nigeria, where else should this vast apparatus, with its “now dominant economic focus,” turn its energy? Continue to loot the Commonwealth, of course, West specifies, but turn toward the last major untapped economies worldwide—those of the Asia-Pacific region:

“This new distribution of global economic power involves an unambiguous and dramatic shift away from OECD countries toward Asia-Pacific growth economies, some of them part of the Commonwealth.” “East beats West” was the conclusion of one “global strategy team,” she says, so that by the year 2010, “five of the top ten economies . . . in the world will come from Asia compared to only two today.” Already, she notes, Britain’s trade and investment overseas are growing much faster in Southeast Asia and the Pacific Rim, such that Britain’s trade outside the European Community is 50% greater than within it, and soaring annually, as in 1993-94, when the U.K.’s trade with Malaysia was up 35%, and that with China up 14%. In 1994, Britain’s exports to ASEAN

grew by 25%.

British-designed policies of deregulation and privatization have paved the way for this shift, such that “British portfolio and corporate direct investment has swung toward them away from the high-cost, highly regulated European economies,” into looting developing economies. She compiles tables of British foreign investment by areas of the globe, noting that “Britain’s external corporate direct investment is now growing faster than that of any other big industrialized country, making Britain the world’s second largest overseas investor.” In country after country, Britain’s investment rivals, or supersedes, that of the United States, an astounding fact when one compares Britain’s population of 60 million to the United States’ 240 million.

More striking than the mere investment amount, again, is its rate of expansion. Britain’s total invisible earnings, she documents, rose an astonishing 23% between 1992 and 1993.

Australia: the base from which to loot Asia

The RIIA perhaps chose West to write its “Discussion Paper 60” because she is an Australian; certainly, Australia in the last few years has been established as the base from which the British will loot Asia, a model, West says, of how a Commonwealth country can be so used. Australia is now the Asia-Pacific base for 120 international corporations, many of them British or Anglo-Dutch. Sixty of these corporations were established in 1993-94 alone, and 24 of these 60 relocated from other parts of Asia.

West quotes a 1994 report by a Melbourne consulting group, to demonstrate the extent to which the Australian and British economies are intertwined: “Australia sends about 35% of its offshore direct investment to Britain, which is *eight* times more than could be expected from the size of the U.K. economy. The U.K. sends about 7% of its offshore direct investment to Australia, which . . . is *five* times more than could be expected from the size of the Australian economy. . . . Australia was the third largest direct investor in Britain at the end of 1993,” “investments” which represent the activities of such Club of the Isles members as press magnates Rupert Murdoch and Kerry Packer (emphases in original).

Again, what is stunning is not merely the amount of investment, but the rate at which it is accelerating. From 1982 to 1992, British investment in Australia rose sixfold, while Australian direct investment in Britain rose tenfold. Over 1987-92, when Australian direct investment in the U.K. more than quadrupled, Australia sent 44% of its entire overseas direct investment to Britain. From 1991-92 to 1992-93, British investment in Australia more than doubled, and represented almost one-quarter of the total foreign direct investment in Australia. In 1993-94, the U.K. more than doubled its investment in Australia *again*, from \$Aus 3.6 billion to \$Aus 8.8 billion.

Given the British stakes in Australia, both in its own right, and as a base to loot Asia, it is not surprising that they

Commonwealth 'networking'

Katharine West emphasizes in her report, that virtually any organization in the world, such as those she lists here, could be dominated through concerted action by the members of the Commonwealth within it. Since there are 52 Commonwealth members around the globe, there is no organization they could not control.

UN Security Council; OECD; G-7; G-15; G-77; Asia-Pacific Economic Cooperation Group; Association of Southeast Asian Nations; South Asian Association for Regional Cooperation; South Pacific Forum; South Pacific Commission; North American Free Trade Agreement; Organization of American States; Caribbean Community; Organization of East Caribbean States; Organization of African Unity; Economic Community of West African States; Preferential Trade Area for Eastern and Southern African States; South African Development Coordination Conference; European Union; Council of Europe; OPEC; Non-Aligned Movement; Islamic Conference Organization; African, Caribbean and Pacific Countries parties to the Lomé Convention; NATO; Conference on Security and Coordination in Europe; South African Development Community.