

launched, in late January of this year, a campaign to destroy Lyndon LaRouche's co-thinkers downunder, the Citizens Electoral Councils. British intelligence's Conrad Black, through his *Age* newspaper in Melbourne, launched the onslaught, which set the stage for anglophile assets in the federal parliament and local Anti-Defamation League of B'nai B'rith circles to call for an investigation of the CEC. The "charges" were so ill-defined and vague that, as of this writing, no such investigation has eventuated.

RIIA conference: 'Britain in the World'

by Allen Douglas

On March 29, 1995, one of the most extraordinary gatherings of the British elite in the postwar period convened at the Queen Elizabeth II Conference House for a conference entitled, "Britain in the World." The affair was co-sponsored by the Royal Institute of International Affairs (RIIA) and Her Majesty's government.

In his opening remarks, Prof. Sir Laurence Martin, the RIIA's director, noted the caliber of the 700 persons present at what he called this "genuinely unique conference." "I cannot think of another occasion," he burred, "on which the foreign policy establishment of a country has put itself before such a group for interrogation. You could grab any 12 of the participants—I do not say 'audience'—and they would grace the platform of any important conference: The standard is extremely high."

Indeed, observed Sir Laurence, many of those present were far more important, as is the RIIA, than Her Majesty's government itself: "We see more clearly every day that the foreign relations of Great Britain are only partly, perhaps not even primarily, in the hands of HM government. Many of the people in the body of this hall have great influence over British foreign relations."

The conference was organized into four "break-out sessions": "Britain's Diplomatic and Security Role"; "Britain's Place in the World Economy"; "Democracy and Development"; and "Projecting British Values, Education and Culture." The purpose of the sessions was to take stock of Britain's far-flung assets, and to coordinate their deployment in an attack on what remains of nation-states around the globe. The attack on the nation-state was emphasized, in a typically British understated way, by Sir Crispin Tickell, a former British ambassador to the UN and a scion of the Huxley clan, one of the most influential people in British culture for the past century and a half.

Sir Crispin exulted that "the power of the state is diminishing. . . . It is moving upwards to the big global organizations,"

on the one hand, and on the other, "You have a downward movement, which you can see all over the world toward local communities, states, minorities, pressure groups, and others." A third movement, he said, was "sideways"—the cross-border "information revolution."

The tenor of the affair was perhaps best conveyed by Dr. John Ashworth, one of the participants in session four: "I am afraid the British are getting more assertive because the 30- or 40-year political program which followed 1945, in which the British establishment, the political elite, set themselves the task of the orderly management of decline, *has ended. We have had enough of that.*"

The four sessions familiarized those present with the latest in the British Empire's armamentarium of irregular warfare, in three aspects: 1) finance/trade, 2) military, and 3) cultural. The British Empire, like its predecessor Venice, was urban-maritime in nature, based upon finance and trade. Finance and trade are the guts of the empire; military and cultural warfare aspects, the means to enforcing them.

London's unique position

One after the other, members of the elite outlined their part of the picture. One highlight was a sketch of the City of London, the "engine" of the whole business, by John Bond, Group Chief Executive of HSBC Holdings PLC. Bond stressed that, though "the City of London is but one square mile in the United Kingdom's 94,000 square miles, it has a unique position in the world's financial system." He gave a few indications of its power:

- "The City currently accounts for over a quarter of the world's foreign exchange turnover and it contributes an estimated £1.8 billion to the U.K. economy. The London Stock Exchange lists the shares of more foreign companies than any other bourse, processing around 60% of all shares trading outside their home country. It handles 90% of cross-exchange trading in Europe and one-tenth of the total world equity turnover.

- "London is . . . the world's largest issuer of Eurobonds.

- "The City is also home to LIFFE, the London International Financial Futures Exchange, which is the world's third-largest futures market.

- "Europe's top commodity futures exchanges are all here—the London Metal Exchange, the International Petroleum Exchange, and the London Commodity Exchange. They account for three-quarters of Europe's turnover in exchange-tied commodity derivatives and 15% of the world's turnover.

- "Historically, London has been a focal point for international marine, aviation, and commercial insurance and reinsurance. During the 1980s, 50-60% of world ship-broking commissions and about half of the world's sales and purchases of ships were generated here.

- "In fund management, London dominates the management of foreign institutional funds, most notably foreign government and pension funds. And London's share of assets managed in Europe for foreign institutional clients ex-

ceeds 81%.

- “With more than 500 foreign banks in the City, London is also one of the largest centers for international lending. U.K.-based banks accounted for nearly 16% of worldwide lending in 1993. . . .

- “Financial and business services account for around one-fifth of all London jobs—a higher share than Tokyo, New York, or Paris. If you include professional and other business services, more than 600,000 London jobs are now finance related—a figure that is greater than the entire population of Frankfurt.”

The City, as those present well knew, uses Her Majesty’s government as its advance scouts, a fact admitted by Prime Minister John Major in his opening address: “The Foreign Office now devotes more of its overseas resources to commercial work than to any other front-line activity, and rightly so.”

After the fall of the Berlin Wall, the pace expanded rapidly, as summarized by Sir John Coles, Permanent Undersecretary of State for the Foreign and Commonwealth Office: “This year we are opening up 14 new posts, primarily for commercial reasons, and deploying well over 100 new commercial offices—mainly in Asia, some in Latin America, and the former Soviet Union.” Sir Derek Hornby, chairman of the British Overseas Trade Board, noted that his organization deployed over 300 major trade missions a year, and, as he reviewed the map of the world, continent by continent, said, “I do not know any of those markets where we have not increased from something between 15 to 30% our efforts year on year over the last three years.”

Privatization key to expansion

The key to this expansion, numerous speakers emphasized, was the privatization of formerly State-owned assets, a scam invented by an elite division of Her Majesty’s intelligence services, the Mont Pelerin Society. Ian Taylor, Parliamentary Under-Secretary of State for Trade and Technology, said that privatization “has been a huge success with falling prices.” Taylor was not so crass as to indicate how that works: assets worth \$100 are picked up for \$5, or less. The chairman of Standard Chartered (bank) PLC, Patrick Gillam, noted that he had just been giving a seminar in Indonesia on privatization, and told the audience that “it may not strike many of you here like this but the world outside this country regards privatization as one of the most remarkable things that Britain has given them probably in the last 50 years.”

Perhaps nowhere did privatization have more of an impact than in the former Soviet Union and East bloc. Several speakers emphasized that the British had helped design and propagate the “Gorbachov reforms.” As Prime Minister Major put it, “One revolution we did back—and before it became fashionable to do so—was Gorbachov’s in Russia.” And no matter what happened, Major intoned, “we are not going to change direction now.”

Privatization is just one aspect of the doctrine upon which

the original British Empire was built—free trade. Numerous speakers emphasized this, invariably stressing, as did Taylor, the importance of the World Trade Organization, which Taylor described as “crucial to us.”

Military operations

Finance and trade are key, but frequently, as was the norm in the old British Empire, their advance had to be prepared with the mailed fist. Things have not changed much, Major made clear, in his survey of British troop deployments: “The U.K. now has troops deployed or stationed *in over 40 countries around the world, in a wider variety of roles than ever before*” (emphasis added). Rosemary Hollis, head of the Middle East Program of the RIIA and rapporteur for session one (“Britain’s Diplomatic and Security Role”), summarized the private discussions during her panel: “In the afternoon we were given an account of Britain’s military capabilities, which range . . . from nuclear deterrents to war fighting capabilities to a whole range of new or more recently carefully developed peacekeeping, peace-enforcement, advising, training, and support capabilities.”

She concluded, “I take one message from the military: Britain is at the front in the task of developing peacekeeping and peace-enforcement doctrines and experiences in these fields. It is up front, with the players at the front.” The United States, she noted, was nowhere near as advanced in these matters.

The content of these “peacekeeping and peace-enforcement doctrines” was personified at the conference by one of their inventors, Lt. Gen. Michael Rose. Rose’s work, as the UN Protection Forces commander in Bosnia, rips the veil from Hollis’s “peacenik” jargon: Rose had been caught red-handed, including by U.S. intelligence communications intercepts, in frustrating NATO air strikes against Serbians in the process of committing genocide, and in fomenting warfare between the Bosnians and the Croats.

Rose, after calling for the establishment of a United Nations intelligence agency, described how British power is being leveraged, through the spread of these “peacekeeping” doctrines into British assets in other countries: “All I would say in conclusion is that I think the wider forms of peacekeeping that we are embarked upon in the United Nations is something which has been thought about considerably—and I will now change my hat to my old hat as Commandant of the Staff College [Sandhurst, Britain’s elite military school]—we thought about it enormously long and hard in the various Staff colleges around Europe and in America; we have run seminars for the last five years between the Frunze Academy, the Air Ecole de Guerre, Leavenworth, and Camberley, and there is a new form of doctrine developing and Britain has taken quite a lead in this field.”

Part of this “new doctrine,” involves the military working, as Rose stressed, with “aid organizations, both the UNACR and the non-governmental organizations.” These, as docu-

mented elsewhere in this report, are leading the attack against nation-states. Prince Charles spoke in glowing terms, in his luncheon address, about how "Britain is indeed a remarkable country, not least for the way in which it has given birth to a host of non-governmental organizations."

Besides Bosnia, the other place where British peacekeeping has been most heavily applied, is in Africa. Baroness Chalker, Minister of State for Foreign and Commonwealth Affairs and Minister for Overseas Development, emphasized that, here, too, Britain led the way: "May I say also, as far as conflict prevention and resolution is concerned, it was Britain rather more than any other nation that took the battle to help African nations particularly come together and receive training for conflict prevention and resolution."

Baroness Chalker, as *EIR* has demonstrated, personally oversaw the application of these methods in Rwanda, resulting in the slaughter of millions.

Cultural warfare

The third arm of Britain's irregular warfare is cultural. Two of the chief vehicles for this, are the British Broadcasting Corp. (BBC) and the British Council. As Sir John Burgh, former director-general of the British Council, put it, "The British Council and the BBC World Service are an unbeatable combination." The BBC runs a wider array of programs around the world than any country or other service, and is for many countries the *sole* source of news. It is also notorious for its lying. The British Council, though little known, is, in the words of its chairman, Sir Martin Jacomb, Britain's "main agency for international cultural relations." So much so, that the Foreign and Commonwealth Office "sees it as an integral part of the U.K.'s overall diplomatic and overseas aid effort."

The Council operates 228 offices in 108 countries, teaching the English language and liberal philosophy. It "talent scouts" future British agents-of-influence, by arranging their education in the U.K., where 107,000 foreign students study every year. Its importance is hard to overstate. As Jacomb summarized it, "Wherever you go in any of those countries overseas, the British Council is a very well known thing, and is highly respected and much admired. Overwhelmingly, our ambassadors and their staffs find it a big help toward our political and commercial effort. I may say in parentheses that while most rich countries have cultural diplomatic agencies of one kind or another, some have deliberately copied the structure and mode of operation of the British Council."

But perhaps the Council's importance can be best understood by appreciating the importance of the man chosen to head it: Sir Martin Wakefield Jacomb. Jacomb is a director of the Bank of England; a longtime board member of Barclays Bank; the deputy chairman of the Rio Tinto Zinc corporation, the Queen's premier raw materials conglomerate; and a member of the board of The Telegraph PLC, the company which controls much of Britain's world media empire. He is, in short, one of the most important men in the British Empire.

IV. The Club of the Isles

Raw materials cartels lock up world economy

by Richard Freeman

The speculative jump of wheat and corn futures prices on the Chicago commodity exchanges this year, in parallel with a speculative run-up in the price of gasoline, demonstrates with what swiftness the British Empire's raw materials cartel can move. The cartel represents the interests of 3-5,000 super-wealthy oligarchs, grouped around the British monarchy, and around an interlocking network of multinational raw material corporations. This is the Club of the Isles.

The London-centered cartel's organized price speculation is economic warfare with three interrelated purposes. First, to kick off a spiral of hyperinflation, triggering increased interest rates, a drastic reduction in production and consumption, especially hitting the U.S. economy. Second, to paralyze President Clinton in the face of financial disintegration, especially when Lyndon LaRouche's influence in the Democratic Party is growing. Third, to give the Club of the Isles the chance to loot the world economy to a greater extent than ever before. In real terms, this means a drastic increase in the death rate: mass murder on an unparalleled scale.

The Club-engineered commodity price increases are spectacular. On May 10, 1996, the price of a wheat futures contract for next-month delivery, trading on the Chicago commodity exchanges, reached \$7.32 per bushel, an all-time record. On April 5, 1995, the price for a similar contract was \$3.29. Most of the 122% increase has been registered since the start of 1996. The food cartel, led by Cargill, Continental, and Archer Daniels Midland, in cahoots with the International Monetary Fund, has intentionally collapsed world wheat production. World wheat stocks will close at the end of the 1996 harvest at only 94 million tons. At the current, already-reduced levels of world consumption, this is the lowest stock level in 50 years.

Meanwhile, on the Chicago Board of Trade, corn futures recently traded at \$5.06 per bushel, more than double April 1995 levels. Soybean futures traded at a stratospheric \$8.04 per bushel.

The motive behind the food cartel's attack on production levels is best seen in the shortage of corn, which is a prime animal feed stock. Gregg Hunt, commodity broker and analyst at Rand Financial Services, told a reporter on April 15: