

Doomed by Iraq, Corruption, 'Tony Blair Is Going Down'

by Scott Thompson

In a recent discussion with members of the international LaRouche movement, Lyndon LaRouche drew a direct parallel between the rising resistance in the United States to the Cheney-Bush regime (see *EIR*, March 24, 2006), and the coming fall of British Prime Minister Tony Blair.

"*Tony Blair is going down*, LaRouche said. "He's about to be sucked under."

"Look, we have a situation in which the United States government is not functional, that is, the Presidential part is not functional; and the rest is not functional because of that. The war in Iraq is a loser: There's no possible way this thing can be continued," LaRouche said. "You have now at present, the Blair government's about to go down. It might stay on by some miracle, but right now, it's doomed. It's doomed because of the Iraq issue. The Iran thing is not going to go freely in the direction people think it's going to go in. There's tremendous resistance to expanding this Iran problem, and then postponing some of the Iraq issue."

For the past three weeks, Blair has taken a beating in the major London press in a "loans for peerages" corruption scandal, so that this, combined with the overall unpopularity of his "Blatcherism," leaves him with a job approval rating of 36%, just slightly above that of George W. Bush. And, Blair is in free fall. There is an avalanche of woe coming down on Tony Blair, who has led the world in supporting the Cheney-Bush policies.

Off With His Head

If there were any doubt, *The Economist*, the semi-official voice of the City of London, delivered a pronouncement in its March 16 issue about the fate of Mr. Blair, and the message was, "off with his head." The headline of the magazine declared, "The final days of Tony Blair," with an all-black cover design, and Blair in the shadows.

The Economist, *The Times*, *The Guardian*, and *The Inde-*

pendent have by now all called for Blair to quit. A YouGov poll found that this sentiment is shared by 50% of British voters, of whom 21% want him to quit now and 29% want him to quit within a year. His successor is named as Gordon Brown, Chancellor of the Exchequer.

The Economist was the first to say that Blair should quit "sooner rather than later," in its lead editorial. Before this, *The Economist* had always supported Blair. The editorial never mentions the loan scandals, but instead frets that Blair does not have the political capital to push needed domestic policy reforms through Parliament.

"Once upon a time," it says, 30 years ago, Harold Wilson resigned without warning. Blair should do the same. Furthermore, everyone knows that Chancellor of the Exchequer Brown is going to be the next Prime Minister, but not what he'll be like in that job. Rather than Blair's taking on the tough task of driving his domestic reforms through after "nine wearying years in office," *The Economist* suggests, "Better, surely, for him to quit while he is still ahead."

Sunday Times former editor, now columnist, Lord William Rees-Mogg wrote on March 20: "In May the local elections are expected to be disastrous for Labour. If they are, Tony Blair's position will be weakened still further. If Mr. Blair does not go now, as he should, July will be the latest month."

'Blatcherism'

Tony Blair's "New Labour," through bagman Lord Michael Levy of Mill Hill ("Lord Cashpoint"), broke Labour's historical fundraising tie to the labor unions, and instead allegedly collected secret loans from wealthy businessmen in exchange for knighthoods—or life peerages that carry the right to sit in the unelected House of Lords. Now, with 23 million pounds in loans—about which it knew nothing—coming due, the Labour Party is facing bankruptcy. The National Execu-

tive Committee, which is heavy with union representatives, has taken charge of Party finances, led by Party treasurer Jack Dromey.

Both Dromey and Deputy Prime Minister John Prescott claim they knew nothing of the 14 million pounds of loans that Lord Levy arranged for Blair to win his third term, out of a total of 17.9 million spent in the election.

According to one frustrated peer, Sir Gulam Noon, Lord Levy asked him to give his money as a loan rather than an outright cash donation, because loans were kept secret.

Blair's New Labour outlook has always been a betrayal of the union base, setting out to out-Thatcher former Conservative Party Prime Minister (now Lady) Margaret Thatcher by partially privatizing health care, creating a real estate bubble rivalling that in the United States, privatizing pensions, and cutting taxes to the wealthy.

If elections were held now, rather than at the expiration of Blair's term in 2010, the Conservative Party would trounce Labour. With Blair in free fall, there is now no hope of his recovery at some later point.

In the latest development, three out of four of the most recent "loans for peerages" cases have been referred to Scotland Yard for investigation, to determine if they broke a 1925 Act against selling peerages; the law was passed in response to the similar practice of Prime Minister David Lloyd George, whose own bagman, Maundy Grigory, went to jail. So have those "above suspicion" fallen.

The Royals Under Siege

The same City of London "Club of the Isles" apparatus that has mobilized for Tony Blair's ouster, is also posing the most direct challenge to the Royal Household since the abdication of Edward VIII in the late 1930s. An even stronger parallel can be drawn to Lord Shelburne's 1780s moves against King George III and the entrenched Tory apparatus that had bungled the American Revolution and jeopardized the entire British Empire.

U.S. intelligence sources familiar with the inner workings of The City say that major factions in the "Club of the Isles" financier oligarchy are promoting the replacement of an aging Queen Elizabeth II with her son Prince Charles, and that they wish to see this transition accompanied by the Blair ouster and his replacement by the Tories. Under the long reign of Queen Elizabeth II and her Royal Consort, Prince Philip, the actual power of the Monarchy has grown dramatically. According to the source, Charles is seen as a weak personality, who will serve the interests of the City financiers, who wish to seize greater power, to steer Britain and the Commonwealth through a period of financial chaos.

Tory leader David Cameron has recently called for the war power authority to be taken away from the Crown, and placed in the hands of the elected British government. Several leading anti-Blair Labour Party figures, including Clare Short, have made similar proposals, indicating a broad-based move to strip the Crown of some of its vast powers. The U.S.

intelligence sources say that this dramatic shift in the British power structure is likely to take place over the next 18 months, and could occur much more quickly, if crises erupt.