

The British Empire's Fascism Stalks America

by John Hoefle

After four decades of decay, and eight years of the worst Presidential administration since before the Civil War, our nation stands on the brink of collapse. There are many reasons for this, some of them involving serious shortcomings among ourselves, but we have also been subject to a continuous assault by the most determined and dangerous adversary we have faced in our existence: the British Empire.

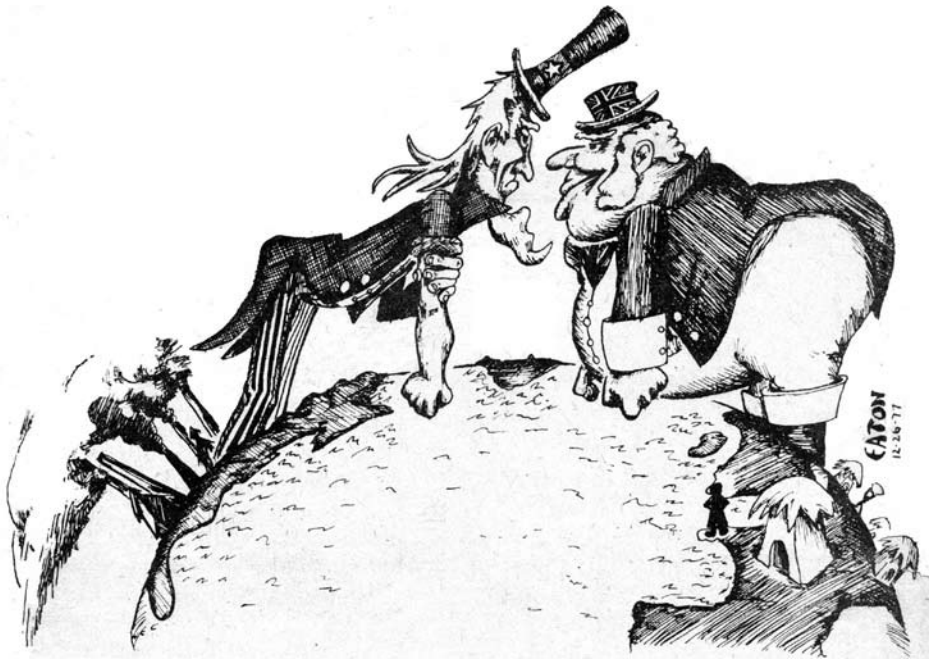
The last time our nation faced economic collapse was during the Great Depression. We were saved at that point by the emergence of a great leader, Franklin Delano Roosevelt, who took on what he called the “economic royalists,” and defeated fascism both in the United States and abroad. FDR’s New Deal not only revived the economy, but it reestablished the government’s control over the financiers of Wall Street. It was a hard fight, but the nation and its people ultimately won.

FDR did not just take on Wall Street, however: He took on the British Empire. The most powerful bank on Wall Street at the time was J.P. Morgan & Co., and Morgan’s power came from its role as an agent for the Empire in the United States. The Morgan bank was the spider at the center of a web of financial houses which waged a war against the industrialists of the American System, bankrupting them and consolidating them under Morgan’s control. The Anglophile Morgan crowd grew rich and powerful, while destroying what America had built.

In 1934, the Morgan empire and its affiliates created a fascist organization inside the United States, the American Liberty League, for the purpose of stopping FDR. The Liberty League was funded by some of the richest families and largest corporations in the nation. It tried to organize a military coup against FDR in 1934, but failed.

We do not use the term “fascist” lightly. It is not name-calling, but a precise description. These Wall Street Anglophiles were backers of Benito Mussolini and Adolf Hitler, openly, until World War II. They had helped fund the Empire’s global fascism project, just as they tried to impose it in the U.S. They did not do so because they were enamored of *Il Duce* or the Nazi Führer, but because they were oligarchs, who saw themselves as an elite ruling over masses who were little more than cattle.

FDR beat them, and they have never forgiven him, nor have they forgiven the United States. Today, in a similar but far worse crisis, these same forces are desperately attempting to make sure that the U.S., under President Barack Obama, does not turn toward the path of FDR. The old Liberty League is long gone, but the forces behind it remain, and are determined to prevail this time. Their anti-American, anti-human lies may come through new orifices, such as the duplicitous Amity Shlaes (see accompanying article), but it is the same old fascism. The forces stalking the Obama Presidency today, are the same fascists who tried to over-



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Uncle Sam confronts John Bull: The British Empire waged three wars against America in the 19th Century, including the assassinations of three U.S. Presidents; today's "economic royalists" are attempting to revive the fascism that FDR defeated, and prevent President Obama from adopting FDR/LaRouche solutions to the crisis.

throw FDR in 1934.

The people have changed, and the tactics have changed, but the content and the method have not. With this report, we will lift the rocks and let the sunlight shine upon these fascists, so that we may defeat them, forever.

The Empire Strikes Back

During the 1920s and 1930s, a wave of fascist movements spread across the world. The two best known of these were the operations that created Benito Mussolini's Fascist Party and Adolf Hitler's Nazi Party. But there were fascist movements in England, France, Spain, and the United States, among others. These fascist movements were not independent movements which sprang up spontaneously, but were part of a global war on the very concept of the nation-state, and in particular on the world's leading republic, the United States.

The British Empire had suffered a great defeat at the hands of Abraham Lincoln and the Americans, and was looking to put an end to what it saw as both an impudent upstart and a mortal threat, once and for all. With the defeat of the Empire's Confederacy in 1865, the American System flourished, and American industrial might

began transforming the world. American companies were helping to usher in a modern industrial era, in particular, by helping develop railroad systems in Germany and Russia, creating land-based transportation grids as rivals to the British Empire's control of the seas and maritime trade.

The British mounted a counterattack, beginning with eliminating the leaders of the opposition. Three U.S. Presidents were assassinated in rapid succession: Lincoln in 1865, James Garfield in 1881, and William F. McKinley in 1901. Otto von Bismarck was deposed as Chancellor of Germany in 1890, destabilizing the British Empire's main European rival.

In 1914, the assassination of Austrian Archduke Franz Ferdinand was used as the trigger by the Empire to launch World War I, targetting Germany, Russia, and the U.S.A. In 1917, Russia exploded, with Lenin's Bolshevik Party overthrowing the Tsar. By the time the shooting stopped in 1919, the American-led global Renaissance had been derailed, and the British were moving to recapture the U.S. and consolidate their hold over the world. World War II, and the Cold War which followed, were a continuation of that process.

While they were picking off our leaders and our partners in progress, the British were also running financial warfare against the American economy, using a series of financial panics to increase their control over American finance, and using that control to take over American industry. Prominent in this assault were the House of Morgan, investment banks like Kuhn Loeb, Brown Brothers, and W.A. Harriman, and big banks like Chase and National City Bank.

Morgan was a British bank in American clothing. J. Pierpont Morgan's father Junius Morgan owned a bank in London, J.S. Morgan & Co. In 1860, Pierpont Morgan opened J.P. Morgan & Co. in New York, to serve as an agent for his father's bank. By 1900, J.P. Morgan was one of the most powerful banks in the



Behind Mussolini and his Fascist squadristi, shown here in Rome saluting Il Duce in March 1939, were the Venetian, London, and Wall Street bankers. Inset: Mussolini appeared on Time's cover eight times between 1923 and 1943; this cover is dated June 21, 1943.

world, retaining its close ties with J.S. Morgan (later Morgan, Grenfell).

With access to the deep pockets of the Empire, Morgan and its allies led an assault on American railroads, bankrupting them and buying them on the cheap, and, in the same manner, went after heavy industry, targeting both the suppliers of the commodities they used as inputs, and the manufactures of iron and steel and other industrial components. Morgan became a major force in the manufacturing and production of electricity through General Electric and its utility trust, and consolidated a number of steel companies into the giant U.S. Steel. Morgan also bought into the DuPont-controlled General Motors.

These men and their institutions were not industrialists, despite their holdings. They were parasites, who seized the capabilities and wealth created by others, in order to destroy the United States. They hated the idea of a nation-state where all men are created equal, and all men have a right to life, liberty and the pursuit of happiness. They viewed themselves as members of the elite, barons of finance, far above the common people. They may have resided in America, but in their own minds they were Lords of the Empire.

Creating Fascism

Benito Mussolini was a founder and leader of the National Fascist Party of Italy. He became prime minister in 1922, when he and his Blackshirt *squadristi* marched on Rome, and by 1925, was calling himself *Il*

Duce (the Duke, or Doge). Mussolini rapidly turned Italy into a corporatist police state, where the government was used to keep the population in line on behalf of the elite. Behind Mussolini were the Venetian bankers, such as British agent Count Giuseppe Volpi di Misurata, who organized Mussolini's corporatism on the model of the Lombard League of the 14th Century.

Mussolini had considerable support from London and its agents in

the United States. In 1926, Morgan partner and later chairman Thomas Lamont arranged a \$100 million loan for Mussolini's government. Lamont described himself as "something like a missionary" for *Il Duce*, who, he bragged, had "done a great job." Mussolini was also promoted heavily by Anglophile publishing baron Henry Luce, who featured the fascist prominently in his *Time*, *Fortune*, and *Life* magazines. *Time* featured Mussolini on its cover eight times between 1923 and 1943. A *Time* article in 1923 called Mussolini the "patron saint of fascism," while another praised his "triumphant reforms." Another piece in 1924 was entitled "Wonderful Benito!"

Throughout the 1920s, the Empire pushed Mussolini's corporatist fascism as a role model for other nations. Spanish dictator Miguel Primo de Rivera, the Marques de Estella, was touted by *Time* as "Spain's Mussolini." Primo de Rivera, a captain general in the Spanish military, overthrew the Spanish government in 1923, and established himself as dictator.

Meanwhile, in Germany, the Nazi Party (the National Socialist German Workers Party) was founded by the occult Thule Society in 1919, and in 1921, police spy Adolf Hitler became its leader. Inspired by Mussolini's March on Rome, the Nazis stormed a beer hall in Munich, where Bavarian Commissioner Gustav von Kahr was making a speech. The famous Beer Hall Putsch failed, and Hitler was jailed for just over a year for high treason. The event established Hitler as a national figure, and while in jail he wrote his *Mein*

Kampf (My Struggle).

The Nazi Party grew in popularity, garnering one-third of the vote in 1932, but in November elections of that year, the population was not buying Hitler's line. The Nazis lost 2 million votes, and went into a deep depression. At that point, however, the London-backed financiers intervened, through Reichsbank chairman Hjalmar Schacht and Baron Kurt von Schröder, and not only filled the Nazis' coffers once again, but got President Paul von Hindenburg to swear in Hitler as Chancellor of Germany, in January 1933—a de facto coup d'état. A little over a month later, the Nazis burned down the Reichstag (Parliament building), while blaming it on the Communists, and calling it a prelude to a Communist revolution in Germany. Pushed by Chancellor Hitler, Hindenburg suspended civil rights and ordered mass arrests of Communists, including those in the Parliament. As a result, the Nazis acquired a majority in Parliament and Hitler consolidated his power. Hitler quickly passed the "Enabling Act," which gave him legislative powers, effectively abolishing the separation of powers written into the German Constitution. In July 1933, Hitler banned all other political parties, making the nation a Nazi state.

The similarities of Hitler's actions to those of the Bush/Cheney Administration in the wake of our own Reichstag Fire—9/11—should not be overlooked. The neocons who ran policy under Bush were themselves a fascist bunch, by predilection and training.

Though Mussolini's party was the first fascist party in name, his fascism was really a derivation of the French brand of fascism, known as Synarchy. The made-in-London French Synarchy was the basis for the various fascist movements which emerged in the 1920s.

The rise of Mussolini and Hitler has largely been falsely ascribed to the personalities of the two men, as a way of pretending that the National Fascist Party and the Nazi Party emerged spontaneously. The truth is that both Hitler and Mussolini were front-men for the oligarchy, whose financiers and psychological warfare units created, protected, and nurtured fascism. The bankers who supported Mussolini and Hitler did not do so because they were captivated by such men; they did so because they knew that Mussolini and Hitler were tools with which to destroy the nation-state. As La-Rouche aptly put it, just because you leave a poisonous spider in your neighbor's bed, does not mean you have an attraction to spiders!



Following the Nazi Party's crushing defeat in the election of 1932, London-based financiers stepped in with the cash needed to put Hitler in the Chancellorship. Shown: President Hindenburg swearing in Hitler, Jan. 30, 1933.

Financing the Nazis

It is no secret that the British Empire and its American helpers helped fund the rise of Hitler's Nazi regime. Numerous books have been written on the subject, including Antony Sutton's *Wall Street and the Rise of Hitler*; Charles Higham's *Trading with the Enemy* and *American Swastika*; James and Suzanne Pool's *Who Financed Hitler*; James Stewart Martin's *All Honorable Men*; and our own *The Hitler Book* and *George Bush, The Unauthorized Biography*, to name a few. Any trip to a good library will allow the reader to confirm our charges.

James Stewart Martin's story serves as a good opener, because he was one of the men deployed by FDR after World War II to investigate the Nazi war machine. In 1942, he had been asked to help organize a unit inside the Justice Department's Economic Warfare Section to investigate the connections of the Nazi industrial cartel to U.S., British, and other corporations and financial houses. Even before the war ended, Martin led a team that scoured the Allied-controlled parts of Germany to find the records of companies like the infamous I.G. Farben, and the J.H. Stein Bank of Cologne, the "bank of the cartel kings."

As one would expect, Martin met opposition from

the Germans he was investigating, who preferred that their secrets be buried. Much more interesting, and telling, was the opposition Martin received from some of the British and American officers with whom, and under whom, he served. What Martin discovered is that some of the men who had been involved in building the Nazi war machine before the war, had then been deployed to not only cover up their roles, but to protect the Nazi industrial machine after the war.

One such officer was Brig. Gen. Graeme K. Howard, the director of the Economics Division of the group that would become the Allied military government of Germany, and in that capacity was Martin's boss. Howard had been an executive at the DuPont/Morgan-controlled General Motors, where he headed the firm's export business. Howard lost his job when it was exposed that he had written a book in 1940, entitled *America and a New World Order*.

An FBI report at the time stated that "One more high official of General Motors Corp., has come forward to ask the American people to do what HITLER would like them to do. He is GRAEME K. HOWARD who has recently written for popular consumption a book called 'America and a New World Order.'" The report quoted the book as asserting that "the emergence of totalitarian regimes in Italy and Germany" was "the only alternative to the spread of communism," and urging that the U.S. support Hitler.

That such a man could be given a post which oversaw investigations of the Nazi industrial cartels should be reason enough to set off alarms among patriots. Clearly, powerful forces were interested not in revealing the truth, but in hiding it.

That point was made even more clear by the choice of Howard's replacement, Brig. Gen. William H. Draper, Jr. Draper was on military leave from his position as Secretary-Treasurer of Dillon, Read & Co., a prominent Wall Street investment bank. Prior to taking his position at Dillon, Read, Draper had worked for National City Bank of New York, and the Morgan-controlled Bankers Trust.

Under the Dawes Plan of 1924, Dillon, Read had been a major funder of German corporations. (The Dawes Plan was named after its head, Chicago banker Charles G. Dawes, but it was largely a J.P. Morgan operation.) Three U.S. banks—Dillon, Read; Harris, Forbes & Co.; and National City—led syndicates which issued almost three-quarters of the loans to German companies under the plan. Dillon, Read was a major



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Fritz Thyssen (left, with Hitler), head of Germany's United Steelworks, and his partner Friedrich Flick, were major financial contributors to the Nazis. The Bush/Harriman Union Banking Corp. was affiliated with Thyssen family operations.

lender to Fritz Thyssen's United Steel Works, while National City made big loans to both I.G. Farben and A.E.G., the German subsidiary of Morgan's General Electric.

Draper had not only helped arm Hitler, he was also the sponsor of the Third International Eugenics Conference, held at the Museum of Natural History in New York in 1932. The British-spawned eugenics movement served as the basis for Hitler's horrific "race science" policies. Among the big funders of eugenics was W. Averell Harriman, the Skull and Bones Society banker who played a major role in the emergence of the Bush family as a political dynasty-cum-disaster.

Another banker with whom Martin was assigned to work was Capt. Norbert A. Bogdan, who had been a vice president of the J. Henry Schroder Banking Corp. of New York. It was Bogdan, Martin said, who had tried to block an investigation of Bankhaus J.H. Stein, on the grounds that it was "small potatoes," when in fact it was one of the places where the darkest secrets were buried.

The Stein Bank, based in Cologne, Germany, was the bank of Baron Kurt von Schröder, who was a lieutenant general in the SS Black Guards, and a leader of

the Nazi Party. He was a member of the Schröder banking family of Hamburg, and one of his cousins, Baron Bruno von Schröder, had headed both the J. Henry Schroder & Co. bank in London, and the J. Henry Schroder Banking Corp. of New York—the bank of Capt. Bogdan. The roster of clients of Stein read like a who's who of German industrialists.

The Stein Bank was also home, Martin's team discovered, to a special account labeled "Sonderkonto S," and served as a conduit for funding Heinrich Himmler's SS. The investigation determined that the German industrial cartels would quietly make deposits into this account when the SS needed funds, so that Himmler could withdraw the money.

Martin's British counterpart was Col. John Kellam, who was angry at the U.S. for its "delay" in entering the war. Kellam also had little sympathy for trust-busting, Martin said.

Men such as Howard, Draper, Bogdan, and Kellam were obviously deployed to obstruct, rather than advance, the investigations into the relationships between the Nazis and the Anglo-American financiers. Then, as now with the financial crisis, covering up the crimes of the Empire was paramount.

Lots To Hide

The Empire clearly had a lot to hide, from its financing the career of Adolf Hitler, to its funding the buildup of the German cartels, and its role in Hitler's eugenics fantasies. A sampling of the more egregious deals which have come to our attention follows.

- I.G. Farbenindustrie, or I.G. Farben, as it was more commonly known, was the German chemical cartel formed in 1925, by the merger of six of the biggest German chemical companies. It became the fourth-largest corporation in the world, after General Motors, U.S. Steel, and Standard Oil, and had close ties to both Britain's Imperial Chemical Industries and DuPont in the U.S.A. Farben built a synthetic oil and rubber plant in Auschwitz, Poland, which used slave laborers, and was the first of the death camps of the Holocaust. Farben also held the patent for the pesticide Zyklon B, which was used to gas the slaves when they were no longer able to work. Farben had a U.S. subsidiary, American I.G. Chemical Corp. (later General Aniline & Film),



German Federal Archive

I.G. Farben, the German chemical cartel, built a synthetic oil and rubber plant in Auschwitz, Poland, which used slave laborers, and was the first of the death camps of the Holocaust. Farben also held the patent for Zyklon B, which was used to gas the slaves when they were no longer able to work. Shown, the Farben plant at Auschwitz, 1941.

whose bank was the J. Henry Schroder Banking Corp. of New York, and whose law firm was Sullivan & Cromwell, of John Foster Dulles and top spook Allen Dulles. Allen Dulles was a director of the Schroder bank, and a vice president of the bank, one V. Lada-Morcarski, was a U.S. consul in Switzerland, where Dulles ran the European Mission of the Office of Strategic Services (OSS), the American intelligence service.

- In 1939, an agreement was reached between Standard Oil of New Jersey (today, Exxon Mobil) and I.G. Farben, for Farben to sell certain patents and shares of stock to Standard. A separate, secret agreement provided that the first agreement would be cancelled and the patents and stock would be returned to Farben after the war. When the Alien Property Custodian seized the patents and shares as enemy property, Standard arrogantly filed suit in Federal Court to have them returned. Fortunately, documentation was obtained to prove the government's case, and the suit was defeated.

- In 1941, after many American freighters headed for Europe had been sunk off the U.S. coasts, investigators discovered that the Nazis had obtained the details of their destinations, cargoes, and sailing dates, making them easy prey for German submarines. The source of the leak was not a ring of spies at the ports, but the insurance companies. The American companies that insured the ships and their cargoes routinely reinsured those policies with Lloyds of London or the Zurich



Library of Congress

The fascist Liberty League was dominated by the Morgan and DuPont interests. The British Empire's Morgan bank was the most powerful on Wall Street, and a sworn enemy of President Roosevelt. Shown, a photo of J.P. Morgan (front, right) leaving the White House, 1914.

group, and the Zurich group, in turn, reinsured its policies with the Munich reinsurance pool. The details of each shipment so insured thus went straight to the Germans.

- The Anglo-German Fellowship, founded in Britain by investment banker Ernest Tennant, a member of a prominent banking family and a close friend of Joachim von Ribbentrop, the German Ambassador to Britain. Members of the group, which was formed to promote business links between the British and the Nazis, included Bank of England governor Montagu Norman; Bank of England director F.C. Tiarks; Midland Bank's Lord Magowan; Milner's Kindergarten member Lord Lothian (Philip Kerr); and the Reichsbank's Hjalmar Schacht, among others. Lothian, the British Ambassador to the U.S. in 1939-40, was the founder of the British Roundtable and a major factor, along with Prescott Bush and Averell Harriman, in putting Hitler into power.

- Prescott Bush was a managing partner of Brown Brothers Harriman, and a director of Union Banking Corp. of New York. Union was seized by the U.S. government in 1942, under the Trading With the Enemy Act, ten months after the U.S. entered World War II. Union, chaired by E. Roland Harriman, was affiliated with the Thyssen family of Germany's United Steelworks, which produced a substantial portion of Germa-

ny's steel and explosives. United Steelworks was organized in 1926, with funding arranged by Dillon, Read. Thyssen and his partner Friedrich Flick were major financial contributors to the Nazis, and Flick was convicted at the Nuremberg war-crimes trials. Averell Harriman also met with Mussolini to cement business deals. Both the Harrimans and Prescott Bush were members of the Skull & Bones cult at Yale, as were Bush's son George H.W. Bush and grandson George W. Bush.

The 'Liberty' League

The same American bankers and cartel bosses who backed Hitler and Mussolini, both openly and through more discreet means, wanted to turn the U.S. into a fascist state as well. They created a top-down fascist movement they called the American Liberty League, and funded it lavishly. The League then spun off a number of satellite groups, such as the Crusaders, the Sentinels of the Republic, and

the Southern Committee To Uphold the Constitution—all very patriotic-sounding, all anti-American.

The Liberty League was dominated by the Morgan and DuPont interests. Its top officials included J.P. Morgan's chief lawyer John W. Davis; Irénéé du Pont; E.F. Hutton; and Grayson Mallet-Prevost Murphy. The leading funders were the DuPont interests, including both members of the du Pont family and executives of their corporate interests, the family's DuPont chemical company and General Motors, which DuPont controlled. Other major contributors included: J. Howard Pew of Sun Oil; George D. Baker of the First National Bank of New York; Morgan partners Horatio Lloyd and E.T. Stotesbury; and Andrew Mellon, to name but a few of the prominent contributors.

Together, these men and the financial and industrial cartels they represented, held great sway in the nation. Since that time, however, due to globalization and decades of consolidation, the power over our economy represented by this small elite has grown enormously. They are again using their power to push fascism—they can't use the word fascism, of course, because Hitler ruined it for them—so they wrap the same policies in new greenie, free-enterprise packaging, new labels on the same old snake oil.

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