

## Series: What Is NATO?

### Churchill sought World War III against USSR in 1945

Previous articles in our “What Is NATO” series appeared in the *Australian Almanac*, Vol. 13, No. 14-16, with Australian Alert Service issues dated 18 and 25 May, and 1 June 2022.

By Allen Douglas and Rachel Douglas

The first three Almanacs in this series described the intense disputes during World War II between UK Prime Minister Winston Churchill, who was committed to preserving and extending the British Empire in new forms after the War, and US President Franklin D. Roosevelt (FDR), who intended to apply the principles of his 1930s New Deal programs, by which the USA had conquered the Great Depression, for the economic development of sovereign nations, including Britain’s former colonies. Economic cooperation with Russia and China was part of Roosevelt’s plan, which thereby would secure world peace.

Roosevelt died on 12 April 1945, a scant month before the war ended in Europe. As reported in last week’s Almanac (No. 16, 1 June), London’s agents in Washington had already engineered the ouster of FDR’s close co-thinker Henry Wallace as Vice President—a position from which he would have assumed the Presidency upon Roosevelt’s death—in favour of the manipulable Harry S Truman. The “imperial” party’s priority was now to consolidate control over the policies of the United States, which had become an industrial powerhouse through FDR’s wartime mobilisation of the economy. It was time to make permanent the UK-USA “special relationship”, as one of “British brains” controlling “American brawn”—the state of affairs that persists today.

For Churchill and other British strategists, the preferred form of political organisation was a world government with a tight Anglo-American alliance, or even merger, at its core. The United States was to be reconquered, as British imperialist and minerals magnate Cecil Rhodes had called for at the turn of the 19th to 20th century, when he used his wealth—with the British Crown’s backing—to help launch the Anglo-American Round Table organisation; the Round Table was intended to harness the USA to British imperial policies, and envisioned a massively depopulated world, returned to feudalism. Now, after World War II, a unitary UK-US government was to be merged with a United States of Europe, for the promotion of which Churchill would found The Hague-based European Movement in 1948.

As for the other major power among the Allies, the Soviet Union, British strategists reverted to imperial geopolitics, the age-old “divide and conquer” method of carving up territories and pitting one nation against another. The USSR, which had lost 27 million people and borne the brunt of defeating the Nazis on the eastern front, had liberated the eastern half of Europe and had its Red Army positioned there at the end of the war; but it was not to be part of the club. London guided Truman into the hostility towards the Soviet Union that launched the Cold War. Some, typified by Churchill, would have preferred eliminating the Soviet factor through an immediate hot war.



Churchill (l) and Truman in Fulton, Missouri, March 1946. Photo: Wikimedia

#### ‘Operation Unthinkable’

No sooner was the ink dry on Germany’s Instrument of Surrender to the Allied forces, signed on 8 May 1945, than Churchill commissioned from his chief staff officer Gen. Hastings Ismay a plan for immediately launching an all-out war on the Soviet Union. Ismay delivered a prospectus for “Operation Unthinkable”, according to which this war would begin on 1 July.

In 1951 Lord Ismay (made a peer in 1947) would become the first Secretary General of the North Atlantic Treaty Organisation (NATO). He is credited with the adage that NATO’s purpose was to “keep the Americans in, the Germans down, and the Soviets out” of post-war policy in Europe.

On 22 May 1945 the British War Cabinet’s Joint Planning Staff (JPS) gave its assessment of Operational Unthinkable, which included a summary of the goal: “The overall or political object is to impose upon Russia the will of the United States and British Empire.” The JPS report states that they had been instructed to assume that the UK and USA could “count upon the use of German manpower and what remains of German industrial capacity”—that is, to deploy German soldiers against the Soviet Union. An appendix suggested that up to 100,000 German soldiers might be used. More likely than a “quick victory” through Russian submission, they concluded, would be “total war”, and “[t]o achieve the decisive defeat of Russia in a total war would require, in particular, the mobilisation of manpower to counteract their present enormous manpower resources. This is a very long-term project and would involve: a) the deployment in Europe of a large proportion of the vast resources of the United States. b) the re-equipment of German manpower and of all the Western European Allies.”

The British JPS assessment was full of dire caveats: “...if our political object is to be achieved with any certainty and with lasting results, the defeat of Russia in a total war will be necessary”; “The result of a total war with Russia is not possible to forecast, but the one thing certain is that to win it would take us a very long time”; “It will not be possible to limit hostilities to any particular area.... [W]e must envisage a world-

1. “Operation Unthinkable”, facsimile, UK National Archives ([www.nationalarchives.gov.uk](http://www.nationalarchives.gov.uk)), Cold War On File section.

wide struggle"; "Even if all goes according to plan, we shall not have achieved, from the military point of view, a lasting result. The military power of Russia will not be broken".

Besides these JPS doubts, Churchill did not long remain in a political position to plough straight ahead into World War III. On 23 May, the day after receiving the JPS report-back on Operation Unthinkable, he resigned as PM, the Labour Party having withdrawn from the wartime coalition government. Churchill stayed on as caretaker PM until the July 1945 general election, when—half-way through the Potsdam Conference of the Allies—he was replaced by Labour's Clement Attlee.

While out of office, Churchill continued to speak on behalf of the majority faction of the British oligarchy, proselytising for world government and military subdual of the Soviet Union. The ongoing impact of his policies was enhanced by

## Churchill's 'Iron Curtain' speech

*Winston Churchill delivered this speech, which he titled "The Sinews of Peace", at Westminster College in Fulton, Missouri—President Truman's home state—on 5 March 1946. A beaming Truman was at his side, having read and approved the speech beforehand. Churchill had already started agitating Truman about a Soviet "iron curtain" across Europe, in a long telegram to the new US President on 12 May 1945. The metaphor was not original to Churchill; Nazi propagandist Joseph Goebbels had used it in a February 1945 article, warning that if Germany stopped fighting, "the Soviets ... would occupy all of East and Southeast Europe along with the greater part of the Reich. An iron curtain would fall over this enormous territory". (Goebbels Speeches & Articles, [archive.org](#).)*

*It is for the "iron curtain" phrase that this speech is most remembered, but most accounts omit the strategic context in which it was embedded: Churchill's vehement demand for "world government". The "crux" of the matter, Churchill thundered, was that the Soviet Union must be confronted by a "special relationship between the British Commonwealth and Empire and the United States"—primarily a **military** relationship, which would establish supranational armed forces and oversee the "continuous rise of world organisation" by keeping the atomic bomb "monopolised" by the United States, Great Britain, and Canada for as long as possible.*

*Churchill paid lip service to the late President Roosevelt's legacy, repeatedly mentioning the United Nations Organisation and incorporating in the speech some insincere statements about cooperation with the USSR, but he perverted FDR's concept of the UN. In Churchill's scheme, the UN was to become a world-ruling Anglo-American entity such as the British had tried to institute through creation of the League of Nations under the 1919 Treaty of Versailles; but the USA had never joined the League.*

*The speech was panned in the American media, for Roosevelt's anti-imperial ideas had not yet been forgotten. Indeed, the typical American patriotic attitude towards Britain, reflected in the US military's development in 1927-39 of War Plan Red, for the eventuality of armed conflict with Great Britain, persisted.*

*The excerpts here, about one-fifth of the speech, comprise the above-mentioned elements, with emphasis and subhead added. The full text is online at [winstonchurchill.org](#).*

I come to the crux of what I have travelled here to say. Neither the sure prevention of war, nor the continuous rise of world organisation will be gained without what I have called the fraternal association of the English-speaking peoples. This means a special relationship between the British Common-

wealth and Empire and the United States. This is no time for generalities, and I will venture to be precise. Fraternal association requires not only the growing friendship and mutual understanding between our two vast but kindred Systems of society, but the continuance of the intimate relationship between our military advisers, leading to common study of potential dangers, the similarity of weapons and manuals of instructions, and to the interchange of officers and cadets at technical colleges. *It should carry with it the continuance of the present facilities for mutual security by the joint use of all Naval and Air Force bases in the possession of either country all over the world.* This would perhaps double the mobility of the American Navy and Air Force. It would greatly expand that of the British Empire Forces. ...

Churchill gave his "Iron Curtain" speech, proclaiming the Cold War, on 5 March 1946 in Fulton, Missouri (next article).

Later that year, senior British Establishment figure Lord Bertrand Russell advocated in an article in *The Bulletin of the Atomic Scientists*, that the Soviet Union should be forced to accept a world government with supranational control of nuclear weapons. If Moscow refused, Russell wrote, the USSR should be bombed with nuclear weapons before they could develop their own. The Churchill and Russell declarations were followed by President Truman's 12 March 1947 announcement, to a shocked US Congress, of his British-instigated, rabidly anti-Soviet "Truman Doctrine"—a "virtual declaration of World War III", as a British visitor described it.

Would a special relationship between the United States and the British Commonwealth be inconsistent with our overriding loyalties to the World Organisation? I reply that, on the contrary, it is probably the only means by which that organisation will achieve its full stature and strength. ...

### The 'curtain'

A shadow has fallen upon the scenes so lately lighted by the Allied victory. ... From Stettin in the Baltic to Trieste in the Adriatic, an iron curtain has descended across the Continent. Behind that line lie all the capitals of the ancient states of Central and Eastern Europe. Warsaw, Berlin, Prague, Vienna, Budapest, Belgrade, Bucharest and Sofia, all these famous cities and the populations around them lie in what I must call the Soviet sphere, and all are subject in one form or another, not only to Soviet influence but to a very high and, in many cases, increasing measure of control from Moscow. ...

The safety of the world requires a new unity in Europe, from which no nation should be permanently outcast. It is from the quarrels of the strong parent races in Europe that the world wars we have witnessed, or which occurred in former times, have sprung. ... Surely we should work with conscious purpose for a grand pacification of Europe, within the structure of the United Nations and in accordance with its Charter. ...

I have felt bound to portray the shadow which, alike in the west and in the east, falls upon the world. I was a high minister at the time of the Versailles Treaty and a close friend of Mr Lloyd-George, who was the head of the British delegation at Versailles. ... In those days there were *high hopes and unbounded confidence that the wars were over, and that the League of Nations would become all-powerful.* ...

Let no man underrate the abiding power of the British Empire and Commonwealth. ... If the population of the English-speaking Commonwealths be added to that of the United

States with all that such co-operation implies in the air, on the sea, all over the globe and in science and in industry, and in moral force, there will be no quivering, precarious balance of power to offer its temptation to ambition or adventure. [I]f all

British moral and material forces and convictions are joined with your own in fraternal association, the high-roads of the future will be clear, not only for us but for all, not only for our time, but for a century to come.

## Marshall Plan: ‘European integration’, keeping Russia out

The term “Marshall Plan” has become synonymous with big economic reconstruction, but the original one had an ulterior purpose: consolidation of post-war Europe under City of London-Wall Street financiers’ control. Despite the dominance of those Anglo-American circles within the Marshall Plan, West Germany deployed the Marshall funds with great effectiveness through the Kreditanstalt für Wiederaufbau (Reconstruction Finance Corporation), overseen by Hermann Abs of Deutsche Bank and modelled on Roosevelt’s New Deal Reconstruction Finance Corporation. The KfW is what unleashed the “German economic miracle”.

The machinery of the Marshall Plan itself, however, was one of an array of organisations, created in line with Churchill’s one-Europe schemes. An in-depth account of these seeds of today’s European Union (EU), traced back to the London-run international economic cartels established during World War I, is found in the 2016 Australian Citizens Party (then CEC) pamphlet The British Empire’s European Union: A Monstrosity Created by the City of London and Wall Street (image at right), which can be downloaded from the ACP publications page ([citizensparty.org.au/publications](http://citizensparty.org.au/publications)). The following excerpts from that pamphlet show how the Soviet Union was barred from the “Marshall Plan” reconstruction program.

The post-war single-Europe economic projects were designed as economic cartels, buttressed by anti-Soviet military alliances—first NATO, followed by the 1952-54 attempt to establish a European Defence Community (EDC), which would have inaugurated a more dictatorial “unified Europe” than even that of today’s EU and European Central Bank. The Soviet Union’s request in 1954 to join NATO was met with a flat refusal.

By Allen Douglas

The Marshall Plan, like the Cold War in which it was set, was orchestrated by the Anglo-American financiers who controlled Truman, and who had earlier financed Hitler. Recently released State Department and other US and British government documents demonstrate how it was aimed to shape reconstruction to suit the political and strategic goals, and financial power requirements, of the London-centred cartels. These were: 1) to construct a heavy industrial base in Europe for a coming showdown with the Soviet Union, while largely crippling the US economy through a combined emphasis on non-productive military and consumer-goods production, and 2) to federate Europe into a cartel-ridden United States of Europe, which was finally to be merged with the United States and Britain.

Historian Michael Hogan, in his 1987 book on the Marshall Plan,<sup>1</sup> quotes original sources to support his conclu-

sion that, “It was the strategy of integration, as much as the strategy of containment, that shaped American policy, [and] wrecked the chances for Soviet (and Eastern European) cooperation”. His citations of Marshall Plan drafters “Mr Containment” George Kennan and Under Secretary of State William Clayton leave no doubt of their intent to base the Marshall Plan on “in broad lines a type of European federation”, which would “eliminate the small watertight compartments” (i.e., nations), in Europe.

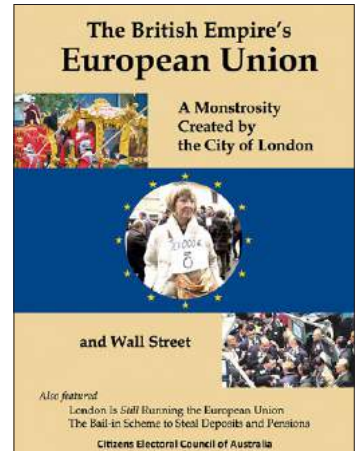
The included intent to sabotage the US economy—the anchor of FDR’s planned post-war Bretton Woods system—was reflected in the drastic reduction in US exports to Europe, specified by the Marshall Plan. Whereas in 1947 the United States had been exporting some \$6.7 billion worth of chiefly machinery and other capital goods to Europe, the Marshall Plan called for reducing those exports to \$2.3 billion by 1952-53. Instead of FDR’s vision of pouring out US industrial goods to Europe and worldwide, to end Britain’s colonial empire forever, “the purpose of the US economy”, in the words of Arthur Burns, the City of London/Wall Street agent heading President Eisenhower’s Council of Economic Advisers from 1953 to 1956, became “pouring out consumer goods”.

The British role in the Marshall Plan was central. Observed Hogan, “The British played a role second only to the Americans in the operation of the plan.”

Eleven days after Roosevelt’s death on 12 April 1945, US Ambassador to the Soviet Union (and Wall Street financier) Averell Harriman arranged a meeting for Truman with Soviet Foreign Minister Vyacheslav Molotov. Harriman prepped Truman to hector Molotov over Soviet “bullying” of Poland. An angry Molotov told Truman, “I have never been talked to like that in my life”, while Truman later bragged, “I gave him the one-two, right to the jaw.” Following the meeting, Harriman was certain that Molotov reported to Stalin that “the Roosevelt policy was being abandoned.”

In rapid succession, the Anglo-Americans unleashed the following events. In May 1945 they cancelled Lend-Lease shipments to the Soviets, and soon afterwards cancelled an expected \$6 billion reconstruction loan. In August they dropped the two atomic bombs on Japan. In March 1946 Truman publicly backed Winston Churchill’s Iron Curtain tirade.

In January 1947 Truman appointed former US Army Chief of Staff General George Marshall as secretary of state. Marshall himself was a staunch opponent of British imperialism, but he was functioning within the British-controlled Truman Administration and the Cold War. His State Department was largely run by Under Secretary Dean Acheson, who would become secretary of state in 1949—a lawyer and anglophile, who even spoke with a British accent. Already in early 1946, Acheson preached that “only two great powers remained in



Citizens Party pamphlet, source of this article.

1. Official government documents became available in phases after the War, giving investigators the ability to map the evolution of the Marshall Plan, and the thinking of its chief sponsors in the USA and the UK, on almost a daily basis. Such documents have been used in Charles L. Mee, Jr., *The Marshall Plan: The Launching of the Pax Americana* (New York: Simon & Schuster, 1984); John Gimbel, *The Origins of the Marshall Plan* (Stanford: Stanford University Press, 1976); Hans A. Schmitt, *The Path to European Union: from the Marshall Plan to the Common Market* (Baton Rouge: University of Louisiana Press, 1962); Michael J. Hogan, *The Marshall Plan: America, Britain and the Reconstruction of Western Europe* (New York: Cambridge University Press, 1987). These books are cited in the text by author’s surname.

the world, the United States and the Soviet Union”, and that only one of them could survive.

### The Truman Doctrine

On 12 March 1947 Truman delivered to the US Congress an Acheson-written script on alleged Soviet plans to take over Greece and Turkey through local communist parties. Behind the scenes, the British had rigged the scenario: they had “confidentially informed Washington” that Britain “was about to end assistance and to relinquish responsibility for Greece and Turkey”, dumping those countries into Truman’s lap. A foreign diplomat who was present observed that Acheson’s proposed Truman Doctrine, despite its “tiny amount of \$400 million ... was made to seem hardly less than a declaration of war against the Soviet Union” (Schmitt).

Henry Wallace, formerly vice president under FDR, charged that the new doctrine was “betraying the great tradition of America”; was really “the best salesman communism ever had”; would “plunge America into a reckless venture”; and would guarantee a “century of fear”.

Hard on the heels of the Truman Doctrine, Marshall gave the commencement speech at Harvard on 5 June 1947, in which he announced, in very general terms, a plan for US economic assistance to Europe. It became known as the Marshall Plan, although “records now available show conclusively that there was no plan when ... Marshall spoke at Harvard” (Gimbel). The British-affiliated, Wall Street-dominated Council on Foreign Relations (CFR), however, had conducted wartime studies on the “need to integrate Europe”. Via Acheson, these studies became the content of the “Marshall” Plan.

Formally, it was drafted by two State Department officials. One was George Kennan, whom Acheson had put in charge of the new State-War-Navy Coordinating Committee (SWNCC). A month later, Kennan issued his infamous “Mr X” article in the July 1947 issue of the CFR’s *Foreign Affairs*, proposing “containment” of the Soviet Union. By Truman/Acheson/Dulles standards, Kennan is often portrayed as a moderate, but he was a fanatical advocate of World Government, who wanted a federation of Europe, and “a North Atlantic union that included the United States, Britain, and Canada” (Hogan).

Co-drafter of the “Marshall” Plan, with Kennan, was Under Secretary of State for Economic Affairs William Clayton, who had been a member of the pro-appeasement, anti-FDR Liberty League in the 1930s. He was vice president of the Atlantic Union Committee from 1949 to 1961, lobbying for a British-American-Canadian federation.

In addition to Acheson and Kennan, the “Marshall” Plan was conceived and executed by Wall Street figures with a background of financing the Nazis and fighting against FDR’s economic policies. Their collaborators in Europe were led by Jean Monnet of France, a protégé since World War I of the powerful City of London bankers Lord Robert Kindersley and Round Table leader Lord Robert Brand, both of theazard London bank.

### Soviet Union kept out

Determined that their “integrated Europe” exclude the USSR, the Anglo-Americans attached conditions to the Marshall Plan that would force the Soviets to reject it.

First, it would be run not through the UN Economic Commission for Europe, but through a new Economic Coopera-

tion Administration (ECA), controlled by the USA. Clayton pronounced, “We [the United States] are going to run the show.” Secondly, the Soviet Union would be “expected to contribute to the plan, not receive from it”, as British Ambassador to Washington Lord Inverchapel recorded a discussion with Kennan. Thirdly, Eastern European countries could participate if they “abandoned [the] near-exclusive Soviet orientation of their economies” in favour of Europe-wide integration (Hogan).

The Soviets, for their part, since they were not to get the billions in reconstruction aid pledged by FDR, viewed Eastern Europe as essential to their own recovery. Moreover, all Marshall Plan participants had to “open their books” on the state of their finances and economy—something Moscow could hardly agree to with the Cold War already under way.

The Truman gang claimed to want the Europeans, including the Soviets, to “develop their own plan” for aid, and scheduled a Paris summit on this for 27 June 1947 between the British, French and Russians. Lord Inverchapel reported to his government on one of his discussions with Kennan, “What the Americans were saying was, they doubted the Soviet Union would want to join the Marshall Plan at all. But just in case they did want to join”, they would have to meet the onerous conditions. For the summit, he concluded, “the Americans were counting on the British to see that the Russians were knocked out of the Marshall Plan” (Mee). Clayton went to London for pre-conference discussions with British Foreign Minister Bevin, toward the same end.

The Soviets refused to accede to US demands “for a comprehensive scheme, joint planning, and resource sharing”, but demanded national sovereignty, for themselves and for Western Europe, including a united Germany. The Marshall Plan, Molotov charged, “would violate national sovereignties and enable the United States to influence the internal affairs of other nations”, instead of allowing “the Europeans to draft national recovery plans”.

Though Molotov had brought 80 economic specialists to the tripartite summit, Bevin and French Foreign Minister Bidault refused to negotiate seriously, and Molotov walked out, as the Anglo-Americans had intended. Harriman gloated, “Bevin did a superb job of getting Molotov out of Paris—by careful manoeuvring. Bidault claims to have had a part in it. But Bevin had the courage to invite Molotov and the bluntness to get rid of him. ... He [Molotov] could have killed the Marshall Plan by joining it.” Kennan was delighted at the outcome: “So, in a sense, we put Russia over the barrel. ... When the full horror of [their] alternatives dawned on them, they left suddenly in the middle of the night” (Mee).

The Europeans themselves had to be bashed into accepting the plan’s “integrationist” premise: “They refused to engage in genuine joint programming, adapt national production plans to European needs, or subordinate national sovereignties to the authority of a supranational organisation. Europeans favoured the ‘Molotov approach’ and sought a recovery program that would limit the scope of cooperative action, meet their separate requirements, and preserve the greatest degree of national self-sufficiency and autonomy. Americans, on the other hand, ... urged European leaders to replace old patterns of national competition and autarky with a new economic system [with] transnational coordinators” (Hogan). By mid-1951, the USA had dispensed \$12 billion in Marshall funds towards these goals.