

brewer's yeast.

Like the man he replaces as Special Trade Negotiator, Askew is a leading figure in the national Democratic Party. During 1973-74, Askew was vice-chairman of the Southern Governors' Conference and its chairman in 1974-75. In 1976-77 he chaired the National Democratic Governors' Conference, and in 1977 he was chairman of the National Governors' Conference.

Since these connections derive from the period when Robert Strauss himself was running the national Democratic Party, it is probable that Strauss personally handpicked Askew as his successor in the trade post. The choice would have been agreeable to the stagemanagers of the recent Cabinet/White House shakeup, inasmuch as the shakeup was significantly intended to provide a non-"Eastern establishment" cover for the acceleration of CFR policies. Hence most of the recent appointees or re-assignees, including the three in trade and commerce—Askew, Luther Hodges, Jr., and Alonzo McDonald—are all Southern. Far from being genuine pro-growth non-"Eastern establishment" spokesmen, they all derive from traditionally anglophile

Southern Confederate networks, as does Strauss himself.

### **Strauss moves on**

Strauss has no reason to be dissatisfied with his scheduled exclusive focus, starting this October, on Mideast affairs. First of all, Strauss has accomplished his chief assignment, railroading through Congress with a minimum of disclosure and discussion the anti-industrial Geneva Multinational Trade Negotiations (MTN), otherwise known as the Tokyo Round.

Equally compelling, Strauss will be able to devote full time to his Mideast task of dissolving the nascent Franco-German-Soviet-Arab entente for energy and industrial development, which is anathema to the London-Washington strategists Strauss serves.

Upcoming columns will discuss the scandal of Luther Hodges, Jr.'s appointment to the number-two Commerce Department post and the significance of Deputy Trade Negotiator Alonzo McDonald's transfer to the White House as its new staff director.

—Richard Schulman

## **GOLD**

### **What is Janeway worried about?**

Are Paris and Bonn vying with London and Washington for South Africa's political allegiance? Although Britain's extensive control of South African mining and finance would appear to place South Africa firmly in the Anglo-American camp, recent statements by New York economist Eliot Janeway to the Johannesburg-based weekly *Financial Mail* indicate that the situation is not quite so clear-cut.

Janeway, a Friedman-style monetarist who consults regularly with Lazard Freres partner Disque Deane, visited South Africa in July to confer with top government and private sector officials. In an interview appearing in the July 27 *Financial Mail*, Janeway went out of his way to emphasize that South Africa must ally itself with the U.S. rather than Western

gested that the U.S. government might guarantee South Africa a stable gold price in return for its continued loyalty.

"You don't consider our linkages with Western Europe to be more valuable to us [than linkages with the U.S.—A.R.]" queried the weekly.

"Western Europe will play you for an affiliate—a sucker—over gold," said Janeway. "Europe wants to own gold—in fact they are gold buyers by preference, but Western Europe is not going to put private money into South Africa over a 10 to 30 year stretch. I have discussed in the past, and will discuss while I am in South Africa, a scheme to provide a filter between the U.S. and South Africa—to give a stabilized gold price."

Janeway's comments raise a number of interesting questions. French President Giscard has proposed a "trialogue," or summit, in which continental European nations,

the Arab oil producers, and black African governments would discuss wide-ranging economic collaboration, including, for example, massive deployment of European technology and Arab capital into African development projects. Are the British worried that, despite its current pro-British foreign and domestic policies, South Africa could be lured into joining such a Euro-Arab-African economic cooperation zone? Significantly the West German Bundesbank and other central banks of European Monetary System members have been discreetly adding to their gold reserves in recent months, often employing the Dresdner Bank as their buying agent. Shortly before his assassination by Baader Meinhof terrorists in 1977, former Dresdner Bank Chairman Jürgen Ponto told the South African journal *To the Point International* that a new gold-backed monetary system was on the horizon and South Africa would play a key role in it, not only as a gold supplier, but as the center of an industrialization drive involving the entire African continent.

—Alice Roth