against the enormous influence which Britain has had on the EU Commission. Santer said further, "Europeans are beginning to question Britain's membership of the European Union." The "war atmosphere" which the British have conjured up inside the EU will, of course, provoke counterreactions from other countries, and "that would create an atmosphere of anti-Britishness in Europe." He warned London, "The 'hour of truth' is approaching."

Several of the 14 other EU members are obviously no longer ready to tolerate the attitude of the English. The view that the EU would function better without the British, is being expressed more and more in public.

Left to its own, the EU Commission would gladly comply with the British demands, but it cannot, because there is too much counterpressure. The pro-British Santer excused himself in the *Observer:* "It is not just governments, it is public opinion, consumer organizations, pressure groups and lobbyists," which are forcing governments, as well as the EU Commission, not to buckle under to the British.

In early June, the EU Commission loosened the export ban on a few British cattle products, such as gelatin, but Brussels can't implement this policy. For example, the German federal states demanded that Bonn unilaterally uphold the import ban. The government of Chancellor Helmut Kohl cannot backtrack on this decision. Portugal, France, and the Scandinavian countries are under similar pressure.

Conflict of 'fundamental economic policy'

Behind the theater of the absurd which the Tories have staged over recent weeks, lurks a battle over fundamental principles in economic policy. "There is a gigantic cleft between the economic theories of the British and those of the continental Europeans," said the German chairman of the European Parliament, Elmar Bruck, in a May 9 radio broadcast. "The Europeans want to maintain their socially oriented economy; the British want abolish it, indeed they have pilloried it. They want to tighten investments as a way of reducing social costs. For us that is the wrong way."

His British counterpart John Stephens corroborated this: "The crisis is not over BSE, but over which future policy is correct for the Union. We have to drastically reduce the role of the state in the economy. That is the conflict."

That is indeed the conflict. The European public, already suspicious of anti-nation pacts like the Maastricht Treaty, now see their worst fears confirmed. Supranational institutions are obviously not able, or not willing, to guarantee the basic interests of citizens, such as safe food, and protecting health. Everywhere, you hear people say, "Only national governments have finally taken action and made the borders secure."

Europe is experiencing a true renaissance of national sovereignty. And thus, the tragic story of the BSE cattle disease, will perhaps turn out to be a turning point in European history.

The leading firms during BSE's spread

by Anthony K. Wikrent

During the 1970s-1990s, when sheep scrapie and infected cattle remains were cycled through the British livestock feed chain and exports, one company came to dominate all rendering in the U.K.—Prosper de Mulder Ltd., a private, secretive Dutch-Anglo family firm; and the use of rendered animal protein wastes as supplements to livestock feeds was, in turn, channeled through a small number of pre-mix commercial feed companies—all interconnected with the famous-name British business elite among the Thatcher political circles, such as British Petroleum and Unilever.

Below, we provide corporate profiles of the companies involved, and background on leading board members. These short profiles show that, far from an "accidental" occurrence of contaminated substances entering the feed/food chain at some isolated point of weakness, the years of recycling large amounts of improperly rendered animal proteins into the feed chain was top-level, board policy.

BOCM Pauls Ltd.
47 Key Street, Ipswich IP4 1BX, Suffolk, United Kingdom
1991 revenues=£338.405 million
1991 profit=£3.725 million

Key personnel:

Jonathan Martin Paul, chairman (Pauls PLC, director).

Peter Graham William Simmonds, director (Associated British Maltsters Ltd., chairman; Harrisons & Crossfield PLC, director).

In the 1980s, this firm was BOCM Silcock, a manufacturer and distributor of pre-mix livestock feed, part of the Unilever complex of companies. Unilever is the world's largest producer of ice cream and margarine, one of the top five world exporters of milk powder, second largest producer of soaps and detergents, and one of the top five world processors of edible fats and oils. Unilever owns vast plantations in Africa and is also Africa's largest trading company, through subsidiary United Africa Co., which is comprised of the old British Empire trading firms, Niger Co., and the African and Eastern Trading Co. Unilever is among one of the most important companies in the Anglo-Dutch oligarchy; some of the directors are: Lord Wright of Richmond, former head of Her Majesty's Diplomatic Service, and chairman of the Royal Institute of International Affairs (see profile below, under British Petroleum); Sir Derek Birkin, chairman of RTZ Corp. PLC, the world's largest mining company; Karl Otto Pöhl, former president of the German Bundesbank, and a member of the International Council of J.P. Morgan & Co. Inc.

Around 1991 or 1992, Unilever sold BOCM Silcock to Pauls PLC, which itself had been bought by Harrisons & Crossfield PLC in 1985.

Harrisons & Crossfield PLC
1 Great Tower Street, London, EC3R 5AH, United Kingdom
1993 revenues=£2.210 billion
1993 profit=£98.0 million
30,975 employees

Key personnel:

George Paul, chief executive officer (Pauls PLC, chairman; Norwich Union Holdings PLC, director; Norwich Union Life Insurance Society, director; Scottish Union & National Insurance Co., director; Maritime Insurance Co. Ltd., director; London Export Corp. Ltd., director).

Sir Richard Ernest Butler Lloyd, director (Vickers PLC, former chairman; Hill Samuel Bank Ltd., deputy chairman; Hill Samuel Securities Ltd., chairman).

Frances Anne Heaton, director (Bank of England, director; Panel on Takeovers and Mergers, director general; Lazard Brothers & Co., director).

Hugh Salusbury Mellor, director (Australian Mutual Provident Society, London Board; Burmah Castrol PLC, director; Dalgety Australia Ltd., director; Dalgety Zimbabwe Ltd., director).

Harrisons & Crossfield was begun as a tea trading venture in 1844. In 1895, the chairman, Arthur Lampard, visited Russia and established a trade route from Ceylon to Moscow, passing through the Black Sea port of Odessa, historically a crossroads of international oligarchical intrigue. In 1903, Lampard began to steer Harrisons & Crossfield into rubber, establishing plantations in Malaysia and Sumatra. In 1920, the firm branched into timber production and trading, with operations based in Borneo. A few years later, the firm also began growing coconut palms and extracting coconut oil on plantations in the Philippines, Ceylon, and the Malabar Coast.

In the 1950s and 1960s, the firm began to diversify, moving into chemicals and chromium. By the mid-1980s, the output of the firm's tea, rubber, and coconut plantations accounted for only a quarter of Harrisons & Crossfield's revenues. The firm bought Pauls PLC in 1985. Pauls, which manufactures malt and animal feeds, in turn acquired BOCM Silcock around 1991-92, from the Unilever complex. Note the link with Dalgety through Hugh Salusbury Mellor.

BP Nutrition

BP Nutrition
Wincham, Northwich, Cheshire CW9 6DF, United Kingdom
1992 revenues=£142.255 million
1992 losses=£2.242 million

BP Nutrition, which included Purina Mills Inc. in the United States, was a wholly owned operation of British Petroleum. BP Nutrition was broken up and sold by British Petroleum in a series of transactions in 1992 through 1993.

The British Petroleum Co. PLC
Britannic House, One Finsbury Circus, London EC2M 7BA, United Kingdom
1995 revenues=£36.106 billion
58,150 employees

Key personnel:

Sir David Simon, CBE: chairman 1995- (Bank of England, director; Deutsche Bank, International Advisory Council; Allianz AG, director; Grand Metropolitan PLC, director 1989- ; RTZ Corp. PLC, director 1995-).

Lord Wright of Richmond, KCMG, CMG: director 1991- (entered Diplomatic Service 1955, first secretary of Embassy to United States 1960-65; Head of Middle East Department Foreign and Commonwealth Office 1972-74; private secretary for overseas affairs to prime minister 1974-77; ambassador to: Luxembourg 1977-79, Syria 1979-81, Saudi Arabia 1984-86; permanent undersecretary of state and head of diplomatic service 1986-91; Barclays Bank, director 1991- ; De La Rue, director 1991- ; Unilever, director 1991- ; Royal Institute of International Affairs, Council 1992-95, chairman 1995- ; Ditchley Foundation, governor 1986- ; Royal College of Music, Fellow 1994).

Peter Sutherland: director (former director general of the General Agreement on Tariffs and Trade).

H. Michael Miles, OBE: director (Johnson Matthey PLC, director; John Swire PLC, director; ING Barings Holdings Ltd., director).

Sir Patrick Sheehy: director (BAT Industries PLC, chairman; Swiss Bank, director).

The largest non-financial company in Britain, and the fourth largest of the world's oil multinationals, more than half of BP's world output comes from the North Slope of Alaska; another third comes from the North Sea.

BP began with the joint project of William Knox D'Arcy and Burmah Oil, which struck the first oil in the Middle East in 1908. D'Arcy was then duped by British intelligence operative Sidney Reilly, known as the "ace of spies," into turning over the find to the Anglo-Persian Oil Co., run by Lord Strathcona. Winston Churchill convinced His Majesty's government in 1914 to buy 51% of Anglo-Persian. The firm was in on the first oil strikes in Iraq (1927) and Kuwait (1938). In 1928, Anglo-Persian and its major competitors made a secret "as is" agreement, which fixed world production and prices for the next 20 years. Anglo-Persian changed its name to British Petroleum in 1954.

Morgan Guaranty Trust Co., of J.P. Morgan, holds 16.67% of BP. FMR Corp., parent of the Fidelity mutual funds, owns 5.54%. The Kuwaiti Investment Office holds 9.42%.

DALGETY

Dalgety PLC
19 Hanover Square, London W1R 9DA, United Kingdom
1995 revenues=£4.907 billion
1995 profit=£127.1 million
17,877 employees

Key personnel:

Maurice Warren, chairman (South Western Electricity PLC, chairman).

Brian Baldock, director (Guinness PLC, deputy chairman).

Peter Birch, CBE, director (Abbey National PLC, chief executive officer).

The Rt. Hon. The Lord Walker of Worcester, MBE, PC, director (Privy Council; Minister of Agriculture 1979-83; Minister of Energy 1983-87; Secretary for Wales 1987-90; Cornhill Insurance PLC, chairman; British Gas PLC, director; Smith New Court PLC, director; Tate & Lyle PLC, director).

In 1995, Dalgety placed 18th in the world ranking of food and beverage companies, by dollar volume of sales.

Dalgety began in 1846 as an Australian trading operation, dealing in wool. It survived the collapse of the wool market in the late 1840s because of the 1851 gold rush in Australia, in which Dalgety & Co. made a fortune supplying gold miners. In 1854, a London office was established, and soon after, founder Frederick Dalgety also moved to London. The firm became a public company in 1884. In the early 1900s, the firm moved to exploit the new technology of refrigeration, by transporting lamb, butter, and cheese from New Zealand to Europe. Dalgety & Co. enjoyed a sharp increase in demand for wool for military uniforms during World War I, but World War II saw the widespread introduction of synthetic fibers, which rapidly cut into the wool market.

In 1962, Dalgety merged with the New Zealand Loan and Mercantile Agency, to become the world's largest broker of wool. Its first major expansion into other industries came in 1966, with the acquisition of Balfour Guthrie, with interests in western Canadian lumber, and in U.S. poultry. In 1969, Grossmith Agricultural Industries, the largest British animal feed company, was acquired, followed a year later by the Pig Improvement Co., which has become the world's largest supplier of pig breeding stock. In 1972, Dalgety acquired Associated British Maltsters, but sold it in 1987, along with Balfour Guthrie.

In the late 1970s, Dalgety began a major shift into food processing and distribution. In 1977, the British flour-milling firm Spillers was acquired in a hostile takeover, and transformed into the largest pet food producer in Europe. Martin-Brower, the largest supplier to U.S. McDonald's fast-food restaurants, was acquired the same year. In 1985, Dalgety purchased Gill & Duffus, the world's largest trader of cocoa.

Harrisons & Crossfield director Mellor is also a director of Dalgety subsidiaries in Australia and Zimbabwe.

Prosper de Mulder Ltd.
Ings Road, Doncaster DN5 9SW, United Kingdom
1995 revenues (est.)=£135 million
1,100 employees

Key personnel:

Prosper de Mulder, chairman

Anthony de Mulder, director

Prosper de Mulder Ltd. controls 70% of Britain's meat-rendering industry, in which the offal and other unused remnants of dead animals are processed and recycled into animal feed. It was de Mulder, which, in the 1970s, introduced continuous processing into Britain from the United States, replacing the pressurized batch system under which offal and other waste was cooked at high temperature under high pressure and treated with very strong solvents, such as benzene. In 1990, the firm admitted that at least one of its five factories was processing offal at 115-120°C, at least 10°C below the safety threshold recommended by the European Community. Thanks to Thatcher's orgy of deregulation, processing at these lower temperatures, at which, British government reports warned, bacteriological contaminants would not be eliminated, was entirely legal. These government reports were kept secret until the BSE scandal broke in May 1996.

The cheaper continuous processing allowed de Mulder to undercut its competitors. Between 1968 and 1975, de Mulder bought up 79 smaller businesses involved in the meat trade, establishing a "monopoly of the cattle feed trade" in Britain. The firm has been investigated three times by the Monopolies and Mergers Commission (MMC). In 1985, and again in 1993, the MMC ruled that Prosper de Mulder Ltd.'s pricing policy is "discriminatory." Slaughterhouses, which are legally bound to have offal removed within 48 hours of dissection, have complained that they have no choice but to use de Mulder's services, and describe the firm as "ruthless."