

A signal from West Berlin

Valéry Giscard d'Estaing's visit to West Berlin Oct. 28 was one signal that the Franco-German leadership that created the European Monetary System is not about to be easily blackmailed into acceptance of the war policy emanating from Washington. A second signal came when, according to a leaked report in the London *Guardian*, Giscard made plans to reorganize the present European Community Commission in such a way as to eliminate the British stranglehold over that policymaking body.

Giscard's actions must be seen in the context of the lurid and explicit threats against every aspect of the EMS-based strategy for peace and economic development that he has promoted, together with West German Chancellor Helmut Schmidt, since 1978. These threats, described in our ECONOMICS report in this issue, are being delivered by such nominally U.S. officials as the Treasury's Tony Solomon and Congressman Henry Reuss, but their source is unmistakably British. No observer of the tug-of-war that has gone on throughout the period of the EMS's official existence from January of this year, between Great Britain's determination to sabotage the new system and the French and German led resistance to British policies, can miss the significance of Undersecretary Solomon's repeated snipes at the "consensus" process in the EC.

What the London strategists and their allies on this side of the Atlantic most fear is that continental Western Europe will be propelled ever more forcibly into a new relationship with the Soviet Union that will be primarily motivated by the urgency of avoiding war. The content of that relationship is, necessarily, joint economic development projects in the

Third World, using such vehicles as the EMS's gold reserves to create the credit. The direction was set by the May, 1978 summit between Schmidt and Brezhnev in Bonn, and strengthened this last April when Giscard went to Moscow.

It is well known in London that the consolidation of this policy will abruptly end London's financial hegemony; hence the frenzy with which British intelligence is pulling every string for political and financial warfare against the EMS, including deployments to wipe out the Third World leaders who are Europe's collaborators. Hence the importance of what Giscard did in West Berlin, on the first state visit from a French head of state since the end of World War II.

The French President pointedly included Soviet representatives at various levels of the festivities, underscoring in his speeches his intent to convert West Berlin into a symbol of "dialogue between East and West."

In his speeches, Giscard focused on the central point of his foreign

policy: Franco-German cooperation as the key to East-West detente. He recalled the depth of Franco-German collaboration since the mid-17th century, but left unsaid that this cooperation invariably centered around their joint opposition to Great Britain.

Helmut Schmidt traveled to West Berlin to meet his French counterpart in what the French press reported as a gesture the two deliberately planned to dramatize their disagreement with the Anglo-American axis with respect to detente.

But equally important was the West Berlin celebrations is the news that France will reorganize the EC bureaucracy and take responsibility for Euro-Arab relations into its own hands. The point is that London and its allies have thrown down the gauntlet as to who will control Europe and its major political institution, the EC, and to what ends. And Europe's response is looking tougher than what the London crowd expected.

—Nora Hamerman

The Week in Brief

The Illinois House of Representatives on Oct. 31 and the Senate on Nov. 1 unanimously adopted a resolution calling for the resignation of Federal Reserve Chairman Paul Volcker. The resolution was introduced by Democratic Representative Larry Bullock and was supported by both the Democratic and Republican Party leaderships (see U.S. REPORT).

This bold move by the Illinois Legislature could spark similar legislative moves in other states to pull

the nation back from the brink of a deep recession. The 30 cosponsors of the bill represent business, labor, farm and minority constituencies and cut not only across party lines, but presidential preferences, including supporters of former Governor Ronald Reagan, Sen. Edward Kennedy and Lyndon H. LaRouche, Jr.

Rep. Bullock is planning to deliver personally the Illinois resolution to the U.S. Congress and urge their swift action.