

Franco-German Summit

A Blow To Britain

The latest biannual French-West German summit between French President Valéry Giscard d'Estaing and West German Chancellor Helmut Schmidt, held Feb. 6-7 in Paris, produced significant commitments to both international peace and technological progress that have seriously weakened Britain's ability to manipulate Europe through certain foreign policy and industrial channels.

The meeting also marked the 15th anniversary of the signing of the Franco-German friendship treaty in 1963 between French President DeGaulle and West German Chancellor Konrad Adenauer, which was recognized at that time as a major counter-offensive against manipulations aimed at Europe from both the British government and the Kennedy Administration.

Schmidt and Giscard went right to the point in destroying one manipulation through their discussion of what could turn into one of the world's hottest war zones — Ethiopia's Ogaden region, which has been invaded by Somalia. In a statement on West German television Feb. 7, Schmidt said that both he and Giscard agreed that "no foreign power should intervene in the situation." This statement gives the lie to press rumors that both West Germany and France are secretly arming Somalia. Moreover, it implicitly attacks the British press line that the West should intervene in the Horn of Africa to counter alleged Soviet intervention in Ethiopia.

The two leaders were not as explicit in discussing President Giscard's recent disarmament proposals, in which qualitative and quantitative disarmament from the Atlantic to the Urals would be handled by a special United Nations institution. Although French radio said on Feb. 7 that Schmidt supported the proposal, Schmidt himself did not mention it on television giving rise to speculation that Giscard's proposals were either too vague, or too similar to disarmament proposals that NATO has been making to the Warsaw Pact for some time.

Oppose Britain's Currency War

Surprisingly, support for the French franc was not discussed explicitly, even though the franc has been under attack by London banks in an effort to cripple Western Europe's second largest industrial power. Schmidt explained that detailed discussions on this topic were not necessary because bilateral agreements already exist between France and West Germany to cope with just such an attack.

"However," Schmidt added, "we were in total agreement that there is a more important currency (the dollar—ed.); and this is what we discussed."

Such a statement puts France and West Germany squarely in alliance against the City of London plan to collapse the dollar so that the overvalued British pound

can regain its 19th century position as the world's most important currency.

The Feb. 7 French financial daily *Les Echos* reflected the tone of the summit by reporting that all of the joint French-German proposals "will be put before the British" at various European institutions, including the European Council. "Germany and France will no longer play their guitars under the window for Britain," the daily commented.

Although both statesmen pledged their countries' support for the development of the nuclear fast breeder reactor, the European decision to plan its future without Britain became most apparent in the nuts and bolts of the European-built wide-bodied twin-engine Airbus passenger jet. The Airbus model produced until now has been the A200, a tripartite production by Britain, France, and West Germany. But Schmidt and Giscard struck a preliminary agreement to build the B-10 model, which is only a joint French-German product, and drop production of the A200. Both countries are so anxious to get the B-10 off the ground, despite West German complaints about the high development costs, that French officials will be in Bonn next week to finalize the details.

No Stiff Upper Lip

London could not keep a stiff upper lip over the bilateral attacks on its monetary policy and its bellicose plans for the African Horn. British press outlets in West Germany screamed about the decision to drop British Airbus participation, one of Britain's last means of manipulating and stalling the advanced European aerospace sector. The *Süddeutsche Zeitung* of Munich ran an article Feb. 8, titled, "A200 not dumped, just stalled." The London *Financial Times* had a more realistic estimation of the damage. As a result of the continental decision to back the B-10, Britain now has three poor alternatives, said the *Times*. It can try to produce the A200 on its own; it could try to produce a totally British plane, the X-11; or it could link up with Boeing's projected new plane and become the European bridgehead for this plane against the Airbus.

To add insult to injury, Japanese Trade Minister Ushiba mentioned in connection with the European Economic Community's Foreign Ministers meeting in Brussels that Japan might reduce its European trade surplus — by purchasing Airbuses.

This new boost in Franco-German economic cooperation has even affected such mundane issues as French coal imports and the huge West German coal stockpiles in the Ruhr. Giscard agreed that France will cut its coal imports from the Comecon countries and the United States, while increasing its coal imports from West Germany, a direct boost to the depression-wracked West German coal industry.