

What Carter will find in Venice

by Dana Sloan

President Carter is expected to go into the Venice summit of leading Western industrial powers with guns blazing, demanding that the European allies get tough with the Soviet Union over the Afghanistan question, and trying to force the cancellation of the important trade deals that form the basis of detente between Western Europe and the Soviet Union. He will also demand the militarization of the NATO countries and their allies to meet what he has described as a grave Soviet threat.

While the Franco-German axis has been working on creating the basis for the reestablishment of detente after the cold war provocations of the Carter administration, Carter is now bent on escalating into heavy confrontation with the Soviet Union, and he has made public the fact that he intends to use the Venice summit to strong-arm anyone in the way of his brinkmanship policy.

Message from Carter

Carter flaunted his intentions when he dispatched a letter to Schmidt warning the Chancellor not to discuss with Brezhnev Schmidt's proposal for a freeze on the deployment of nuclear missiles in Europe. According to West German television reports, the Schmidt government was "surprised at the deep mistrust and threatening tone" conveyed by the letter, which appears to have been leaked to the press by the Carter administration.

The summit was scheduled to discuss the economic crisis facing both the United States and the Southern hemisphere. France and West Germany have plans to deal with the crisis by instituting a new international monetary system with gold backing, and encouraging the transfer of OPEC petrodollars through Europe into economic development projects in the Third World.

Carter's National Security chief Zbigniew Brzezinski, however, does not intend to allow such issues to be discussed. The tone was already set for confrontation at the summit when a senior White House official gave a background briefing to the press on June 16. He insisted that the topics for discussion at the summit will include the Middle East, "the problem of the West's relationship

with Iran as a whole, Afghanistan, and specifically the nature of strategic challenge which the Soviet invasion imposes, and then finally East-West relations and particularly the degree to which these relations are affected by the Soviet invasion of Afghanistan." He also stated that "forthcoming discussions between Chancellor Schmidt and the Soviets" and "a further debriefing on President Giscard's meeting with Brezhnev" will be on the agenda.

The pressure on Schmidt to cancel his upcoming visit to Moscow or to arrive with a Brzezinski script thus goes far beyond the threatening letter. The widely read West German weekly *Der Stern* reported that the Brzezinski hard-line will consist of demands that Schmidt cancel his planned meeting with East German leader Erich Honecker, that West Germany drop its plans for the construction of steel plants in Siberia, and that Europe, particularly Germany, enforce a complete embargo on Iran, including exports of food and medicines. *Der Stern* also reported that before the letter of warning was received in Bonn, Brzezinski had told some leading European politicians that present Bonn policies would have to be reversed.

Die Welt reports that the letter was actually written by Brzezinski himself, who inserted the maximum number of raw insults and undisguised threats. After reading it, the West German daily reports, Foreign Minister Hans-Dietrich Genscher immediately telephoned Secretary of State Muskie to inform him that the letter represents a most serious "threat to U.S.-German relations." Later, Genscher is said to have warned that, "The Pole in the NSC is more dangerous than the Polish communists." First reports from an Italian state banquet are that Carter continued the insults June 20 with a John Foster Dulles-like sermon violating all protocol.

Such public and private threats epitomize what Theo Sommer, pro-American foreign policy analyst for the German weekly *Die Zeit*, has termed the "epileptic" actions of the Carter administration. While Schmidt goes out of his way to smooth over the conflict with Washington, leading American circles are expressing their concern that Carter will go too far in Venice, and cost the U.S. West Germany's loyalty, according to *Der Stern*.

Building toward conflict

Deep rifts had already appeared in the alliance by the end of last year, when the Carter administration rammed down the throats of reluctant European allies an agreement to deploy medium-range NATO missiles. Schmidt then called in April for a "freeze" on the "Euromissile" deployment, hoping to negotiate with the Soviets, who had made it clear that they would regard the move, which puts Soviet cities within a six-minute target range, as the first act of World War III.

The rift widened last month when Giscard, determined to break the containment of East-West relations since the NATO decision and the invasion of Afghanistan that followed, arranged an emergency summit with Leonid Brezhnev in Warsaw. Sharp exchanges took place across the Atlantic when the administration accused Giscard of dealing a severe blow to the alliance, and the French foreign minister retorted that as an independent power, France's president needs no one's "permission" to hold talks with the head of another independent power. Weeks later, Carter personally threatened the Europeans with a veto of any Middle East resolution they might introduce into the United Nations that went against the Camp David process.

Against this background, the news that Washington is readying its new Rapid Deployment Force for a mid-July test run in the Persian Gulf is bound to bring the Europeans one step closer to bolting.

The three leaders the Carter-Brzezinski faction could most hope to count on at the Venice summit are now down to two, the prime ministers of Italy and Britain, following the death of Japan's Ohira last week. And neither of those two countries represents a strong asset at this point. Italian Premier Francesco Cossiga, now publicly accused of aiding and abetting Red Brigade terrorists, narrowly missed being forced to resign before the summit. Prime Minister Thatcher in England is opposed by important groupings within her government around Lord Carrington and from without, in the Labour Party.

Revamping the Western alliance

With different ideas in mind, everybody is now talking about the need to "restructure" the Atlantic alliance. Not the least of those calling for a change is President Giscard himself. In a June 18 interview with James Reston of the *New York Times*, Giscard held up the example of his meeting with Brezhnev in Warsaw as the kind of "private bilateral conversations" that members of the Alliance should be engaging in.

Charles de Gaulle's 1958 proposal to President Eisenhower of a "directorship" overseeing the Alliance was recently resurrected by representatives of the Anglo-American elite, anxious to prevent the Carter administration from going too far. While not identical with de Gaulle's original proposal—which included a call for veto powers over the use of nuclear weapons by France, Britain and the U.S.—the argument made by the more rational members of the elite is that decisionmaking powers can no longer be left in the hands of the dangerous Carter administration, and even less so, according to Harvard's Stanley Hoffman (see box), in the hands of a Reagan White House. Europe must therefore begin to shape the institutions through which to assume equal responsibility in policymaking and compensate for the lack of political leadership by American administrations.

Views on the summit

'We must reestablish a structure for peace'

From an interview with Stanley Hoffman, Professor Government, Harvard University.

Q: Could you clarify the *directoire* idea you mentioned in your recent *Boston Globe* article?

A: This time, of course, such an institution would have to be expanded from three countries to four or five; it would have to include Germany at this point, and Japan. With all the economic summits taking place, the situation is coming to the point where such an idea is not only workable but necessary. NATO as an institution cannot deal with the problems of Asia, Africa, et cetera. The OECD is relegated mostly to economic matters. So this kind of "diplomatic" institution is needed. . . . The cold war, the Persian Gulf, Southeast Asia and so on are likely to be the critical hot areas in the coming decade, and you have to have an institutional framework that will be able to deal with such issues. . . .

Q: Who right now is thinking along the *directoire* lines?

A: Right now Europeans are defending their own common line and waiting to see how the dust settles in the U.S. After the elections is when things are going to start moving more openly in this direction. . . . My own guess is that an informal attempt using the Venice summit will be made toward a discussion of common strategy outside economic matters. The Venice summit is really not the ideal place for this to occur because you have the lesser countries like Italy. So this will be followed up [after Venice] with the key countries in other meetings.

Q: For this to work, who would be the most likely candidate to go with it as President? Reagan?

A: I hope not. He'd be worse than Carter.

Q: Jackson?

A: I don't think so, he's too hawkish for the Europeans.

Q: Anderson?

A: Nobody in Europe knows anything about him, and there's not enough time.

Q: Then who?

A: Those are the surprises awaiting us. We have to wait and see.

Q: It's been rumored that Giscard will make a proposal at the Venice summit for Phase II of the European Monetary System. . . .

A: Unlikely with a group of four or five. What he will do is deliver a watered-down kind of version of what was originally planned—a less tight one in currency relationships. . . . Nothing is really going to come out of that. What will come out is tighter economic policies, more coordination of economic programs, especially in the economic area.

Q: Are the French the key force behind coordinating policy in Europe?

A: It's the British who have played the key role for Venice, the Middle East policy . . . they're the ones who proposed the Afghan neutralization plan, not the French. As for the EMS, it's too early for that, the British are not in it yet. Giscard's proposal is likely to be around an international monetary system, and not a European one. It will be a looser structure that will be presentable to the Americans. . . .

The institution [*directoire*] proposal will have to come out formally from the U.S. Europeans aren't likely to put themselves in a situation like 1958 when they were rebuffed by the U.S. Allied policy has to be long-range and built around such an institutional framework, and it will have to come from here.

'Allied policy must be more long-range'

Thierry de Montbrial, director of the French Institute for International Relations, published an article in Le Monde June 12 calling for the U.S. to reestablish dollar convertibility into gold and for the resurrection of de Gaulle's 1958 proposal for a Western tridirectorate." De Montbrial was responsible for long-term planning in Michel Jobert's Foreign Ministry under President Pompidou and wrote the book Energy Countdown for the Club of Rome in 1979, Excerpts follow:

I dream of a President of the United States who would announce, in one of those theatrical coups of which Roosevelt's actions in 1934 and Nixon's in 1971 are memorable examples, the following three measures:

- The reestablishment of gold convertibility of dollars held in central banks;
- A commitment to take into the greatest account the international economic situation in the conduct of American economic policy;
- The establishment of an energy war plan" to achieve energy independence within five years

Dollar parity with gold should be calculated in such a manner that U.S. gold reserves cover a significant portion of dollar assets held by foreign central banks, which should be easy at the past few months' market price of gold. . . .

As for the energy question, it should be clear to all Americans that it is the inability to deal with this question that carries the germ of the greatest threat of a third world war. To change this, America must find the resources which permitted it to arm during World War II or to send men to the moon. . . .

The Europeans must not consider the effort to reestablish a "peace structure" as resting entirely on the Americans. . . . A more coherent role of the Nine [European Community member countries] is not incompatible with the idea of a directorate, introduced by General de Gaulle in his memorandum to Eisenhower in 1958, with one modification: in 1980 its members should include West Germany and, under certain conditions, Japan [de Gaulle's original "tridirectorate" was to include the U.S., Great Britain and France].

'Give Brandt more than lip-service'

The following is excerpted from an article in the June 8 London Economist titled "Brandt is not for burning":

In Venice . . . the report of Mr. Willy Brandt's commission on international development issues is due to get a dutiful mention. The heads of government and their advisers should be working now to see that one particular Brandt proposal gets more than that.

This is Mr. Brandt's proposal for a tripartite deal involving the industrial countries, the oil producers and the poor developing nations. Very simply, the industrial countries would promise to increase their development aid, the oil producers would agree to seek more stable levels of oil price and supply, and the poor would then spend their aid money on purchases from the industrial powers. Note that actual agreement on this bargain would have to be reached only between the Venice participants and OPEC. It would not mean printing new money, but would put to use funds that are already looking for an investment home, to be spent on real goods and services from underemployed economies. . . .

Chancellor Kreisky of Austria and President López Portillo of Mexico are trying to get together the representative "world summit" that Mr. Brandt adumbrated . . . If the rich folk's summit at Venice does not take the Kreisky-López initiative seriously, it will die.