

World Trade by Laurent Murawiec

Thatcher's rampage

Simultaneous attacks on "American imperialism" in technology and on the CAP promote European decoupling.

The British government headed by Maggie Thatcher is on the warpath against the United States and the European Community. The issues at stake are high-technology sales and the EC's Common Agricultural Policy (CAP).

A glimpse into the thinking in London was given on Feb. 17 by a front-page article in the City's daily, the *Financial Times*, with the leak of an internal report of the International Computers Ltd. (ICL) corporation, partly owned by the British government and part by Lord Carrington's General Electric Company, warning of "growing technological imperialism by the United States."

The report demands that Britain reduce "its technological dependency on the U.S.A."—the thesis, "discussed with the [British government's] Dept. of Trade and Industry," being that U.S. export restrictions, notably conducted through the OECD-based COCOM agency, represent an "intolerable reach of U.S. export and other law into British sovereignty." COCOM is the Western agency in charge of preventing export of sensitive technologies to the Soviet bloc.

Trade and Industry Minister Norman Tebbit, often tipped as a future prime minister, who is Margaret Thatcher's chief monetarist partner in the British cabinet, recently flew to Washington to demands relaxing such "unjustified barriers to free trade."

A City insider recently reported that "you are going to witness a wave of anti-American, dirigistic high-technology industrial projects with a

Europe-wide base. It will come from quarters you would not expect, such as British Prime Minister Thatcher and Norman Tebbit.

"This will be done to counter the U.S. attempt at excluding Europeans from the high-tech area. These days, government and private sector experts that come to Washington to attend high-tech seminars are barred, there's a sign on the door that says 'meeting chaired by Col. John Doe from the Pentagon, only U.S. citizens allowed.'"

The "high-technology wave" in Europe is spearheaded by a group of 17 top business leaders pulled together last year by Volvo chairman Pehr Gyllenhammar, who is a member of Carrington's Kissinger Associates firm. The group, which includes Olivetti's Carlo de Benedetti, Renault's Bernard Hanon, Thyssen's Dieter Spethmann, and the British National Coal Board's Ian McGregor, met several times last year to establish guidelines for industrial projects, and convened on Feb. 17 to "get down to concretes and define actual projects," with the mottos of "Down with U.S. technological imperialism" and "Free trade with the East" high on its standards.

Statements, speeches, articles, and other manifestations have abounded in recent weeks from the spectrum of decoupler politicians, from France's finance minister, Jacques Delors, to West Germany's KGB-influenced politician Horst Ehmke, head of the Social Democratic parliamentary caucus, in favor of a "European Monetary

Union" centered on the transformation of the European Currency Unit, the ECU, into an "actual currency," to "break with the dollar imperialism."

But at the same time, the European Community established in 1956 by treaty agreement might be in its last weeks, as Maggie Thatcher's five-year vendetta against its economic "guts," the farm parity system of the Common Agricultural Policy (CAP), nears success.

Since she became prime minister, Mrs. Thatcher has used the spurious idea that Britain's contribution to the EC budget was "excessive and unfair" to press her case for large refunds. Exerting unbearable pressure on depression-squeezed EC finances, the case has been broadened by the Foreign Office to include a demand for imposition of strict fiscal constraints on the CAP, which spends approximately \$16 billion a year, and a global review of the EC budget.

The continued threat of withholding the British payments to the EC budget has reached the point where, after a foreign ministers' emergency meeting in Paris the week of Feb. 13 utterly failed to resolve differences, Sir Geoffrey Howe, Britain's foreign secretary, threatened to let "Europe rot away." The Community's finances are on the brink of bankruptcy; one third of the budget will have been spent in the year's first quarter.

The U.K. had refused to join the original Community of Six in 1956 because it objected to the dirigistic growth policies embodied in the CAP. The policy followed by both Labour and Conservative governments in the past 30 years has been to abolish the CAP. Sir Geoffrey today is railing against the "major problem [posed by] the production surpluses [which] exceed the possibilities of economic outlets," and warns of "looming catastrophe" for the EC.