

## International Credit by Laurent Murawiec

### Gvishiani's innocent proposal

*The Soviet intelligence official has proposed new financial arrangements, and is echoed by a former West German chancellor.*

What was the Kremlin's master-spy in business and scientific affairs doing at the Hotel Meurice in Paris on Nov. 3? Why was Dzhermen Gvishiani, son-in-law of the late Premier Alexei Kosygin and the real initiator of Aurelio Peccei and Alexander King's Club of Rome, fêted by an audience of leading banking, business, and civil-service figures?

He was there to promote the financial separation of Europe from the United States, and implicitly, the subordination of the continent to the Soviet bloc economy via supranational monetary arrangements which are quickly coming into being.

Gvishiani shared the rostrum of the colloquium with Hannes Androsch, head of Austria's largest bank, the Creditanstalt-Bankverein, and a collaborator of the late Aurelio Peccei in setting up the specialized Club of Rome organization, the Committee for New Initiatives in East-West Trade. The third star was socialist banker Jean Deflassieux, head of Crédit Lyonnais, one of the world's top ten banks. Deflassieux chairs the French branch of the International Vienna Council, created after the 1975 Helsinki agreements had consecrated the legitimacy of Yalta-style agreements over Europe, in order to follow through with the "economic basket" agreed upon at that conference.

Gvishiani proposed that "since the U.S.S.R. and France can produce jointly, they can also co-finance." Specifically, he brought up the European Community's ECU and its po-

tential use in trade financing.

This was "enthusiastically supported by the French economics and finance minister, Pierre Beregovoi, who was in attendance," a newspaper report stated. "East-West trade must be boosted afresh" was the theme at the colloquium, whose title was "Financial Perspectives on East-West Trade for the Years 1985-90."

The proposal is not particularly innocent. Last spring, the Soviets hosted a crowd of senior German bankers in Tashkent for an official financial seminar, pushing them to expand the role of the ECU in East-West trade and in international monetary and financial transactions "as a means of rivaling the dollar." The Bank for International Settlements has since established an ECU clearinghouse under its own roof, which consolidates and broadens the private use of the ECU.

In an article in the liberal German weekly *Die Zeit* Nov. 9, former chancellor Helmut Schmidt sketched a vast plan for massive expansion of the ECU and its international use. He linked this to the development of the European Monetary System (EMS) so that "in the absence of any American readiness to take into account the effects of their budget and interest rate policy on us, the Europeans," "more European cooperation and self-assertion" will become possible. The end result is to be the "strengthening of European independence" and a "decoupling" from the dollar.

A crop of articles and speeches has recently emerged in London recom-

mending that Britain finally formally join the EMS, which it never has, and fully integrate the pound sterling into the ECU mechanism. Debates are re-emerging in West Germany around the Bundesbank's unwillingness to allow ECU transactions. The central bank is loath to lose its tight control over the German currency, which Schmidt's scheme would necessarily entail, as it is intent on establishing supranational controls.

Sources in London report that Geoffrey Howe, the foreign secretary, and the foreign office are indeed making a big push for Britain to join the EMS. In France, the Socialists have manifested their enthusiasm for a plan sponsored not least by their former economics minister, Jacques Delors, who is about to take over the chair at the European Commission.

Helmut Schmidt writes about "forcing governments to adapt their exchange rates" and "assure convergence of monetary and economic policy," so that "a gradual creation of a unified European currency" can occur and "finally acquire the world economic weight of the dollar (and the yen)." In this, he is rushing out ahead on behalf of the Russians, who have been urging such a development for some time. He is also following in the tracks of the "1980s Project" blueprint of the New York Council on Foreign Relations, which called for a "controlled disintegration of the world economy" to be fostered in this decade, especially by means of creating three vast currency zones—dollar, European, and yen—and the later-added Soviet ruble, rather than a dollar-based world trade as exists at present.

The ECU fad has only begun. As a monetary instrument of strategic decoupling, the European "currency" should be expected to be the object of much debate in the next few months.