

Department-linked officials and the Council on Foreign Relations, as well as the result of conversations between centrist leader Jean-Jacques Servan-Schreiber and Henry Kissinger in Washington.

Failing this, however, unctuous Mitterrand is no doubt leaving the door cracked for some kind of continuing tenuous relationship to the French Communist Party. Mitterrand, for one, knows quite well that his cut-and-paste party will not survive a definitive break with the

Communists: therefore, he may think he can use the *threat* of a decisive break and the creation of a centrist coalition to keep the Union of the Left glued together just long enough to win the legislative elections next spring. What Mitterrand is incapable of understanding, however, is that there can be no programmatic basis of agreement in such an arrangement between the pro-development workers of the CGT and Mitterrand's Lazard Freres mentors.

Heath-Thatcher Deal To Boost Tories?

In stark contrast to the ruling Labour Party, Britain's Conservatives have been, at least in public, the model of party unity — until this week. Ostensibly concerned with the issue of "individual vs. collective rights," the Tory party is now engaged in a critical debate which could well decide whether it can muster enough credibility to form a viable alternative to Prime Minister Callaghan's Labour government.

BRITAIN

This is no academic debate for the Tory leadership headed by Margaret Thatcher, whose nickname, the "Iron Lady," has hardly endeared her to much of the British electorate. Thatcher has embarked on a campaign to build her international reputation in a series of foreign tours, the most recent being her just concluded trip to the United States this week. Thatcher made stops in New York, Houston, and Washington, D.C. in an attempt to establish her conservative credentials among bankers, businessmen, and Washington politicians. While Thatcher's strong defense of free enterprise and individualism made the calculated impression on America's conservative heartland, privately many of those involved in meetings with Thatcher expressed uneasiness at her ability to deliver on her good intentions, especially given the strength of Britain's trade unions which are openly hostile to the prospect of a Thatcher government.

In this context, the battle that erupted this week within the Tory party between the so-called moderate wing of the party, largely centered around former Prime Minister Edward Heath, and the self-styled right-wing of the party around those who previously have been the

center of Thatcher's crew in the party, was no accident. Attempts by Thatcher's top policy advisor, Sir Keith Joseph, and her foreign policy speechwriter, the ultra-right winger Robert Moss to force the Tory Party into a tough confrontationist stance against alleged organized trade-union usurpation of individual rights were thwarted by the joint efforts of two Heath stalwarts in the party, Shadow Employment spokesman Jim Prior and Tory Reform Group chairman Peter Walker, and even Mrs. Thatcher herself. If successful, the Joseph-Moss maneuver would have destroyed Thatcher's credibility as a successor to Callaghan, since the major question now bothering the British electorate and politicians alike is what can Maggie offer if the Callaghan strategy with the unions falls through?

Thatcher's support of the moderate faction against her former henchmen in the party strengthens rumors already circulating that Thatcher and Heath may effect a formal reconciliation at this year's Conservative Party Conference, scheduled in several weeks' time. Heath, who still maintains extensive international ties from his prime ministerial days, most notably to European and Arab leaders, is scheduled to give one of the major policy addresses at the conference, his first formal party appearance since he was ousted by Thatcher in 1975.

The Spectator, a conservative-oriented weekly, is already sounding the death-knell for monetarist Keith Joseph's economic strategy, and suggests that a return to Heath's more moderate "incomes policy" approach will form the Tory alternative when the Callaghan strategy fails. Predicts *Spectator* political analyst John Grigg, "it is now very much on the cards that the Tories will revert to such a policy even before the next election, and one consequence of their doing so might be a thorough reconciliation between Mrs. Thatcher and Mr. Heath."