

affairs, including the "convergence toward world government" which is Teilhard's political hallmark.

Padoa-Schioppa has now returned to a senior job at the Banca d'Italia, which is one of the major forces for the ECU expansion among European central banks. His successor at the EEC, Massimo Russo, leans in the same direction. In a speech given on May 19, Trilateral Commission executive Gianni Agnelli, the man who boasted that the Commission had imposed Jimmy Carter as President of the United States, called for the establishment of a "Europe of the currencies." "I have not seen any better example of entrepreneurial vitality than the private use of the ECU," he said, "and a robust private market has emerged with this unit of account, which only needs a minimum amount of regulation." The ECU should be used massively in international settlements, Agnelli added.

Another boost to the ECU's fortune came when French central banker de la Genière went out of his way in his annual report to the French president, and called for "measures that would improve the status of the ECU as a currency. . . . Obstacles that still hinder its circulation between the EMS central banks should be attenuated. . . . The use of the ECU outside that circuit should be promoted." The vagaries of the dollar were used to support such proposals.

In short, the intent behind the BIS meeting is to decouple from both the sovereign governments and the U.S. dollar, and in fact, to prepare to economically integrate with the Soviet bloc.

### The Soviet angle

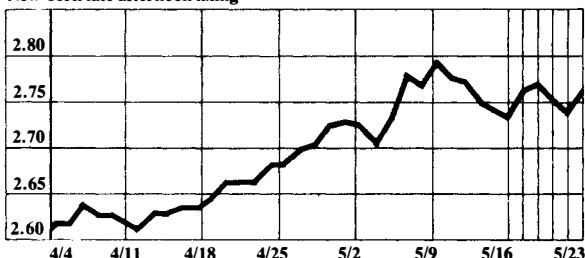
As *EIR* has reported, Soviet interest in the ECU has been avid. At an April week-long symposium held in Tashkent with top German bankers, Soviet financial officials pressed heavily for a massive development of ECU use and clearing, and its generalization as a privileged instrument of East-West settlement. "Their advantage is obvious: anything that reduces the role of the dollar is welcome, and the ECU would do that on a grand scale," a Belgian banker said. "It will cut the dollar down to size. The Russians have already billed trade agreements with French companies in ECUs. The loans were made in ECUs, settled in ECUs, they had to purchase ECUs to do so."

"Moscow Too Believes in the ECU," *Il Sole* entitled an article, which reported that the Soviet Foreign Trade bank, Vneshtorg, had just opened ECU accounts with leading ECU clearing banks. Beyond simple commercial transactions, Moscow is furthering at the monetary level its strategy of decoupling Western Europe from the United States. "It is the common interest of the Soviets and Western Europe to develop the ECU," a City of London expert commented. "All that is needed is that the European Commission gives its go-ahead." The name of the cited official in charge, Massimo Russo, meaning "the Great Russian" in good Italian, makes it hard to see how the green light could fail to appear.

## Currency Rates

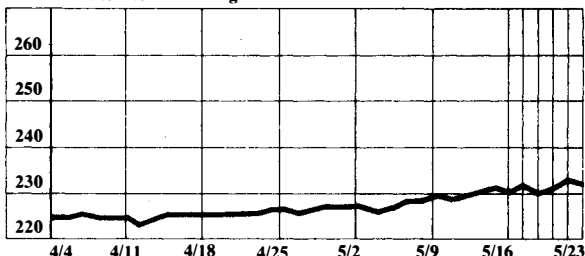
### The dollar in deutschmarks

New York late afternoon fixing



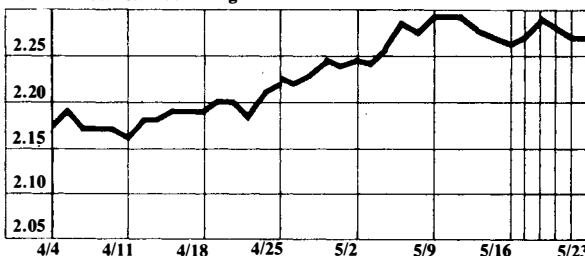
### The dollar in yen

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing



### The British pound in dollars

New York late afternoon fixing

