

Epilogue: From Trilateralism to Unilateralism

The eclipse of industrial capital in the profit-distribution process from 1966 to 1968 marked the beginning of the end of the era of corporate liberalism and Atlantic integration. Unlike previous, conjunctural changes in the balance of economic power, the 1970s rise in the share of bank and oil capital, together with concomitant improvements in rentier incomes, spurred the formation of a new class bloc outside the hitherto prevailing corporate-liberal area of compromise and outside the traditional regional centres of mass production industry. The domestic movement from the Northeast to the Sunbelt, as well as the international shift from densely integrated production to sub-contracting directed from the London-based Euro-currency and capital market, tendentially undermined the hegemony of corporate liberalism and fostered the forces of the New Right instead. 1

The reaction of the ruling classes in the main North Atlantic states to the crisis developing in the American economy, and passed on to the rest of the world by the Nixon policy and the oil crisis, at first consisted of a dramatic turn towards imperialist unity. In the context of runaway internationalization and the rise of money-capital a pervasive liberalism for a time sought to restore the precondition of a concerted reaction to the challenges facing the capitalist system. Capitalist unity was also spurred by the synchronization of the crisis across all the OECD economies at once. 'On the basis of the data on 1930-32, one would expect that a major shock to the system would find economies reacting almost in unison', Rosecrance and his associates write in this connection. In 1973-74, 'this is precisely what happens'. 2

At the political level, the turn towards renewed cohesion was reflected in the quick succession of changes of command between February and August 1974: Harold Wilson replaced Edward Heath; Giscard succeeded Pompidou; Helmut Schmidt replaced Brandt; and Gerald Ford was installed as Nixon's successor as part of a deal to avoid the latter's impeachment. In mid-December, Presidents Ford and Giscard met on the island of Martinique and reached agreement on a common stand against the threat to their energy supply, an issue on which Pompidou had refused to budge before. Thus the way was cleared for a conference of the American, German, French, British, Italian and Japanese leaders in November 1975 in Rambouillet near Paris.

The apparent return of the Western European states to the Atlantic fold, however, did not obliterate the fundamental trend towards unilateralism and rivalry. Real, as opposed to merely rhetorical, unity was far off, especially as long as the Republican administration in Washington remained committed to a defensive, heavy-handed reaction against nationalism and socialism. Kissinger's bellicose threats in the Middle East and his incautious support for the Greek colonels in their conflict with Turkey over Cyprus, followed by his encouragement to South Africa's intervention against the MPLA in Angola in 1975, further undermined Atlantic unity. Meanwhile, weak links in the imperialist chain were breaking. In Portugal, an eleventh-hour coordination, with the Socialist International bolstering the domestic position of Mario Soares and us planes flying in conservative Portuguese settlers from the liberated colonies, was necessary to prevent the Portuguese Revolution from consolidating itself.

The European bourgeoisie's greater tolerance toward social reform in the Third World was motivated both by the rise of Eurocommunism and by their greater

dependence on imported raw materials. In Italy, Aldo Moro was the main proponent of a strategy of domestic rapprochement with Eurocommunism, linked to a foreign policy friendly to moderate Third World nationalism. His objections to Italian subordination to the Kissinger line were brought out by the Socialist state secretary, Bensi, who argued the need for direct agreements with the oil-producing nations during a visit to the United States by President Leone.³ This strategy was particularly appealing also to the French state sector and to German capital, which had failed to penetrate the international cartel of raw material multinationals, almost exclusively Anglo-American, and now could hope to capitalize on the trend towards state ownership of raw material resources in the Third World. ⁴

The Trilateral Commission, established in 1972-73, attempted to strike a realistic balance between American interests and European (and Japanese) aspirations in this respect, and to insert them into a common framework of imperialist cooperation. In the Ford Administration, several leading Trilateralists tried to tilt foreign policy back towards ultra-imperialism, but the presence of Kissinger blocked any dramatic turn. Jimmy Carter, 'one of those Southern governors' recommended by Averell Harriman as an ideal Democratic presidential candidate, and a member of the Trilateral Commission himself, narrowly defeated Ford in the election of November 1976. With a cabinet loaded with Trilateralists and a programme apparently well-designed to rehabilitate the social imperialist consensus at home and unity of purpose abroad American capitalism once again seemed capable of recapturing the historic initiative from socialism.

Projecting the United States as the bastion of 'human rights' (which became the new ideological motif of the Carter administration) required, however, that the ruling class purge itself of some of those publicly associated with the crimes of the recent past. In Europe, meanwhile, the 'Trilateral' fraction wanted to free themselves from the compromised Atlantic cold warriors now that a conciliatory line seemed to be prevailing on the Left, constituting a challenge that would have to be met in the Centre. In the United States the Senate hearings on ITT's involvement in Nixon's anti-trust policy and the overthrow of Allende in Chile served a comparable purpose, as did several measures upgrading Congressional prerogatives at the expense of Presidential discretion. But when, after the Watergate scandal and Nixon's removal from the scene, the Senate Subcommittee on Multinational Corporations started hearings on Lockheed's bribery of leading European and Japanese statesmen, the purge spread overseas, offering an opportunity to crucify the comprador liberals who had functioned as an appendix to the Nixon-Kissinger policy.

In West Germany, the Grand Coalition already had disposed of the old American hands of Marshall Plan vintage, but Italian compliance with Kissinger's concept of American world responsibilities was still obtained from a culpable president (Leone), who had accepted Lockheed bribes under the cover name 'Antelope Cobbler'. In 1977, two former defence ministers, Gui and Tanassi, were indicted by the Italian parliament as a result of the Lockheed expose. In the Netherlands, Prince Bernhard, the chairman of the Bilderberg Conferences, was stripped of his military and commercial functions. ⁵

The new American offensive, emphatically requested by Chancellor Schmidt, was built on peaceful confrontation with socialism and compromise within capitalism.

Interacting with the thrust of the international restructuration of capital, the Carter offensive aimed at constructing ultra-imperialist consensus along the North-South axis. This view came close to the ideas propounded principally from Europe (although echoed by McNamara at the World Bank) on a New International Economic Order, which aimed at continuing detente with the socialist states and an accommodating approach to Third World nationalism. In the Carter Administration, these positions found their best representation in the attitudes of Secretary of State Vance, strategic arms negotiator Warnke, and UN ambassador Andrew Young.

Shared responsibility for expansion into the Third World clashed with the reality of competition, however. It also floundered in the face of different estimates of the danger of the Soviet presence in the, countries recently liberated from the imperialist system. Soviet military power, inflated in response to the American arms build-up and aggressiveness in the preceding era, gradually became the central issue around which imperialist unity converged, contradicting the initial position of the administration and its supporters abroad. At the same time a policy of aggressive response to any challenge to the imperialist system, whether in the Middle East or in Central America, conformed much more easily with the aggressive self-confidence of the classes associated with the movement away from the New Deal order. When in 1978-79 the brief recovery of American industrial profits gave way to an across-the-board improvement of the profit share of the financial sector, rentiers, small capital, and notably the oil companies, (which climbed from \$13.8 billion in 1978 to \$28 billion in 1980, while the aggregate profit figure for the us economy fell); the mounting tide of the revolt of the Right, ranging from brushfire tax revolts to the formation of the Committee on the Present Danger favouring military confrontation with the Soviet Union, increasingly isolated the conciliatory elements in the Carter administration.

Thus half-way through the Carter presidency, the attempt to obtain a viable format of inter-imperialist relations around the strategy of coopting and challenging the threats of peripheral nationalism and social revolution was abandoned. In economic policy, the replacement of the industrialist Miller at the head of the FED by the orthodox banker, Paul Volcker, who came from the Chase Manhattan bank and had served in the Nixon administration, marked the end of the policy of expansion; in foreign affairs, Brzezinski's knack for military solutions prevailed over Vance's moderation and ultimately led to the resignation of the Secretary of State. Unable to accommodate both peripheral challenges and the aspirations of the allies in that area at the same time, American policy shifted its focus from the revolt of the Third World to the confrontation with the Soviet Union. Soviet support for the anti-imperialist liberation struggles and revolutions in Southern Africa and Ethiopia, and its 1978 invasion of Afghanistan to protect client modernizers from the Muslim tribal forces, allowed the aggressive element in the Atlantic bourgeoisie to focus attention on the East-West military relationship, which proved a much more viable format for imperialist unity.

In 1979, Atlantic military unity was once more confirmed when Carter, Giscard, Schmidt, and Callaghan (Labour's Atlanticist Foreign Secretary who had replaced Wilson as Prime Minister in 1976), summiting on the island of Guadeloupe, decided to go ahead with the installation of new American strategic nuclear missile in several Western European NATO states. Callaghan was able to attach a proposal to

simultaneously start negotiations on the nuclear weapons balance with the Soviet Union in order to convince the public of NATO's good intentions, but the single olive branch did not take away widespread concern over the possible consequences of introduction of 572 new nuclear missiles.

As a result of its waverings over Iran and Nicaragua, as well as its deflationary economics, the Carter administration was swept away in 1980 by the Reagan landslide. Meanwhile, a vote of censure had brought down the Callaghan government already in 1979, and Schmidt and Giscard, too, before long were removed from the scene. Bowing to the military and monetary exigencies of the Reagan administration's hard-line unilateralism, their successors have shown themselves incapable of formulating a new comprehensive concept of control adequate to the realities of the post-Atlantic world economy while preserving a minimal degree of imperialist unity. As the passive revolution of Atlantic Fordism draws to a close, and the phantom of nuclear annihilation hovers over the Northern Hemisphere, the urgency of restoring global: imperialist unity can only increase.