

countries' aerospace tariffs, for example) the U.S.'s deteriorated shoe, textile and related sectors, throwing enough people out of work in the northeastern U.S. that a hue and cry can be raised in favor of the corporatist, labor-intensive Energy Corporation of the Northeast (ENCONO) program being promoted by Lazard Freres' Felix Rohatyn, Gov. Carey of New York, and Federal Reserve Board chairman William Miller, an ENCONO founding member. Beaverbook protégé Rupert Murdoch, published an anti-Third World diatribe in his *New York Post* the day after the Geneva ceremony in an immediate effort to use the new pact to foment protectionist sentiment in the U.S. and move the New York area toward a support for ENCONO.

GATT's attacks on the LDCs and especially Mexico, the push for an autarkical North American energy program of which ENCONO plus a subjugated Mexico

would be components, and the jerry-rigged new GATT pact add up to a package to break the world economy into 1930s-style regional trade blocs. C. Fred Bergsten's activities confirm the North American Common Market dimension. On March 30, Bergsten spoke in New York before the Canadian-American Committee, a prominent supporting body for the North American Common Market, an energy and trade scheme directed against the national sovereignty of Mexico, the U.S., and Canada. Bergsten's talk, titled "U.S.-Canadian Economic Cooperation: Harbinger of Global Accords," was dedicated to emphasis on the importance of U.S.-Canadian collaboration to harness the world economy through transnational antidirigist institutions such as GATT, with the concluding portion of his speech being dedicated to a detailed description of GATT's bridles on the Third World.

—Richard Schulman

## Brascan bids for Woolworths

The \$1.13 billion takeover bid on the Woolworth retail giant by Brascan Ltd. of Toronto is the latest and biggest of a series of politically contested corporate takeovers including the Hong Kong and Shanghai Banking Corporation's bid for Midland Marine Bank and the aborted attempt on McGraw Hill by American Express.

Brascan's move was timed with major initiatives launched by a tightly interwoven network of British intelligence-linked individuals and entities toward Brit-

objective is to largely dismantle the retail chain and its international holdings for the purpose of generating liquidity for subsequent "resource and energy speculations."

Although the Brascan bid is seemingly complicated by a number of factors, including the existence of a rival bid for Brascan itself by Edgar and Peter Bronfman's Toronto-based holding company Edper, already a substantial minority shareholder of Brascan, the details on the bid gleaned by this publication, combined with the information in previous *Executive Intelligence Review* reports on the North American Common Market proposal, combine to identify the takeover attempt as part of Britain's North American geopolitical design

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### CORPORATE STRATEGY

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ain's espoused political goal of consolidating all of North America into a single war economy and trade war bloc or "Common Market" by the mid 1980s.

The Brascan bid began April 8 on the advice of consultant David Yunich, former president of Macy's and was promptly opposed by the Woolworth board of directors, who subsequently filed suit in a U.S. federal court in New York State. The suit cites both Brascan and the Canadian Imperial Bank of Commerce as defendants, charging among other things unprincipled and unethical collusion between those entities. The CIBC is bankrolling \$700 million worth of Brascan's bid, the remaining \$400 million coming from Brascan's sale of its Brazilian power subsidiary to the Brazilian government late last year.

The Woolworth suit also charges that Brascan's

### Brascan and British intelligence

Brascan, Ltd, a holding company with assets largely in energy, resources and retail foods and liquors, constitutes one of several extensively interlocked British-Canadian corporate entities run by British intelligence since World War II. Its chairman and chief executive officer, M.H. (Jake) Moore, for example, is a close personal and business associate of Walter L. Gordon, honorary president and former chairman of the Canadian branch of the London Royal Institute of International Affairs.

Both Moore and Brascan director A.J. MacIntosh, himself a CIA director, are directors of Gordon's firm, Canadian Corporate Management of Toronto. Brascan's board also includes Henry Borden, CIA director and son of CIA founder and former Canadian Prime

Minister Robert Borden. Additionally, both Moore and MacIntosh are directors of the Canadian Imperial Bank of Commerce and of the Hudson's Bay Company of Winnipeg. Other relevant business connections include Moore's presence on the board of Northern Telecom-Bell Canada, whose chairman, Robert Scrivener, a leading Canadian Knight of the semi-secret Order of St. John of Jerusalem, also sits on the CIBC board of directors. Finally, Brascan director and CIIA director Borden chairs the resources and energy firm Brinco, whose board includes Sir Mark Turner, former chief of the British Ministry of Economic Warfare during World War II.

This nexus of protagonists in the Woolworth bid have also taken other actions:

- On April 11, a Canadian federal commission headed by Knight of the Order of St. John of Jerusalem member and former British Columbia supreme court justice John V. Clyne released a report defending the 1977 formal merger of Bell Canada Ltd. and Northern Telecom Ltd. The report said that "the Bell-Northern Telecom complex is of striking advantage for Canada and an essential base for any kind of Canadian technological sovereignty." The same report recommended a general waiver of antitrust restrictions in Canada on the basis that "the U.S. is the only country in the Western world that can afford to cling or pay lip service to strict concepts of antitrust legislation and totally free competition." The Clyne Commission report was commissioned by the Canadian Federal Communications Ministry under Jean Sauve, wife of a CIIA director. The ministry is a major patron of Scrivener's Bell Canada-Northern Telecom empire.

- On April 13, Canadian federal Bureau of Competition chief Robert Bertrand announced that the investigation from an antitrust standpoint of the takeover of Hudson's Bay Company by the Thomson family of London and Toronto has been closed. Completion of the Thomsons' \$640 million bid was subsequently announced in the *New York Times* April 19. The Thomsons have announced on several public occasions that the greater portion of their investments into North America will center on *energy and related resource speculations*.

### **Brascan and "British North America"**

The actual motivations for the Brascan bid on Woolworth's can only be appreciated from the standpoint of the policy goals of the political circles and institutions of which the Brascan corporate entity is part. The Brascan bid and related British-coordinated

merger and takeover activities in North America are part of a design to unite "all of North America from Panama to the Arctic Circle into a North American Alliance for trade war with other economic blocs by the mid-1980s," to quote Telecom chief and Knight of St. John, Robert Scrivener in an interview in September 1978.

The same British geopolitical design is also popularly known as a proposal for a "North American Common Market" between the U.S., Canada, and Mexico, as advocated by investment bank Lazard Freres chief Felix Rohatyn as well as by Seagram's boss and Knight of St. John, Edgar Bronfman in the last year.

Jake Moore's personal role in organizing for the "Common Market" design was reviewed by Canadian External Affairs Minister Donald Jamieson in Parliament in Ottawa Jan. 29 in response to a question concerning the strengthening of the Canada-U.S. relationship.

He said "Over the last two or three years we have had an independent group headed by a gentleman whose bona fide are I think, impeccable in this regard, Mr. Jake Moore, looking at how we have been represented in the U.S. and how we can improve our representation...(we) will be following up on that assignment and looking at the recommendations we have received from Mr. Moore and also from our present ambassador in Mexico, Mr. Langley, who had a special assignment."

The London Royal Institute's major task force for organizing the desired "alliance" is known as the British North America Committee for which the C.D. Howe Institute in Montreal led by former Kissinger assistant, Carl Beigie, and the National Planning Association in Washington D.C. are subsidiary branches. Sir Mark Turner, Ralph I. Strauss of the Macy's family (whose Eunuch advised Brascan on the Woolworth move), Maurice Sauve, CIIA director and husband of the Clyne Commission report patron and Canadian Communications Minister, as well as Ian MacGregor of Lazard Freres and George Shin of the First Boston Corp. are on the BNC. Notably, the latter firm has managed many of the larger Canadian takeovers of U.S. firms in the past two years.

It is not unlikely that these circles view the takeover of Woolworth's, a traditionally conservative "above board" retail firm, as an essential step in opening the U.S. to the China and Hong Kong textile market. As well, it is a means of bankrolling the consolidation of North American strategic resources and energy under a "Common Market."

—Peter Wyer and Leif Johnson