[British Steel Corporation]." The last was a bit of British humor. No one could have jeopardized British Steel more than the policy of the British government, which made this corporation less than half as efficient as even the obsolete American producers.

The British gloated over another effect of the Commerce ruling. Coming just before the European finance ministers meeting, it caused harsh feeling against the United States, with rumblings of trade war between the Atlantic partners. At the finance ministers' meeting, Belgian Prime Minister Wilfried Martens thundered that "We were apparently misled by the constructive climate at Versailles [the early-June summit]." The Belgian foreign minister, Leo Tindemans, announced that "It seems the world's two biggest trading units are taking stands heading toward a conflict." The possibility was raised of challenging U.S. federal tax advantages for U.S. companies in foreign trade.

Why should American steel companies aid the creation of a world steel cartel run by a supranational organization? Because the American steel industry is itself a cartel dominated by the Morgan banking group which in turn is a U.S. front organization for British and European financiers. The steel cartel has existed since the great trustification in the United States in the late 1880s and early 1900s.

For example, Republic Steel was created in the trustification of 42 steel producers and as many ore and coal properties by August Belmont, the American financial front man for the European Rothschilds. So was American Bridge, which was later transferred to U.S. Steel, the trust created by J. P. Morgan, the Meyers, and the Moores. The Morgans also controlled Bethlehem Steel, and have a board member on the company to this day, as they do on the U.S. Steel board. The Moores, together with the Hannas, Gilberts, Humphreys, the Swiss Batelle family, and the Mellons, created the other companies, including Inland, Wheeling-Pittsburgh, Armco, and National.

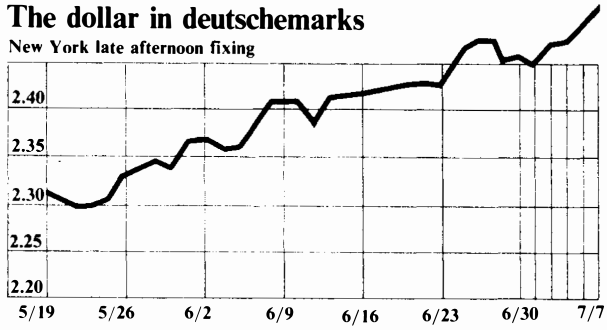
Eighty years later, the same financial group controls both American steel production through ownership and European production through the policy-making powers of the European Coal and Steel Community and the European Council.

The shutdown of steel and other industries is accelerating now because political conditions are considered favorable. The prolonged steel crisis by the oil hoax and the Volcker depression have convinced those in America and Europe who would have fought the destruction of industrial capacity that sharp production declines are inevitable. Convinced that "market forces" necessitated the cutbacks, the unions and steel company management on both continents, as well as European governments, have halted effective opposition to a world-wide Davignon Plan.

Currency Rates

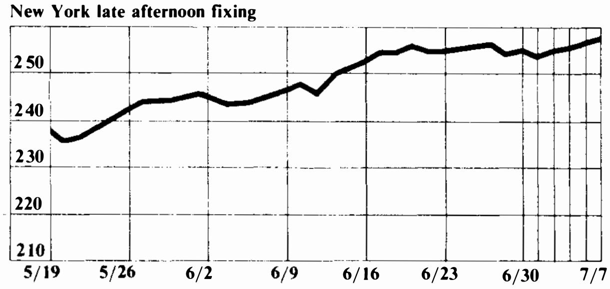
The dollar in deutschemarks

New York late afternoon fixing



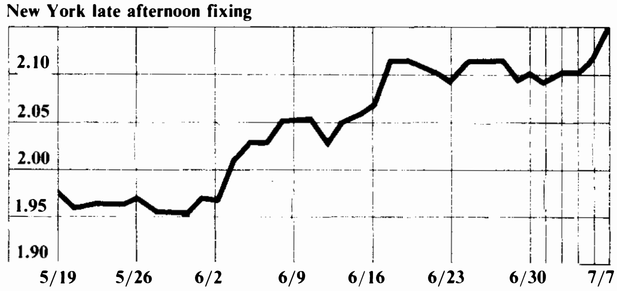
The dollar in yen

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