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A rather
sensible
summit

The Venice summit, if only because expectations were so muted, appears to have made useful, modest progress in the economic as well as political arena. What is important is not the communique itself, brimful of the usual pre-cooked platitudes, but the direction in which the seven leading industrialised nations are moving. And they are slowly moving in the commendable direction of increased international co-ordination of policies, whether intervening on the foreign exchange markets to cushion the fall of the dollar or lining up behind the UN for a ceasefire in the Gulf. The summit failed, it is true, to agree low interest loans to sub-Saharan Africa and to persuade West Germany to give a kick to its feeble 2.5 per cent annual economic growth. It failed to commit member countries to automatic remedial action if the leading economic indicators start flashing red. But at least the summiters will meet more regularly to watch for the warning signals. Peer group pressure may not offer the same commitment to action as automaticity, but at least the summit seven are being increasingly locked into solving global problems — like exchange rates, inflation and the balance of payments — on a global scale. The summits are in any case less important than what happens in between. Japan did not offer more concessions in Venice. But Japan is still committed to the £25 billion expansion package already announced which would almost certainly not have emerged without intra summit "peer group" pressure, particularly from America.

The summiters also agreed to increase the capital of the World Bank and to try to reduce their huge surpluses of agricultural products. Most of the participants seemed to regard this as being no more practical than a bench of bishops denouncing sin. But the difference this time is that they may be swimming with the tide. The hitherto all powerful agricultural lobbies are displaying a new sense of realism as the subsidies mountain threatens to collapse under its own weight. Still, all of these initiatives don't add up to a concerted policy to avert the slowdown in world growth

which most forecasters are predicting and do very little to mitigate the ominous problems of the US economy. And this is a slowdown starting from over 80 million unemployed. So progress: but much more needed.

The same, again, on the political front. Pre-Venice expectations were of heavy American pressure for joint naval operations in the Gulf. It did not materialise; or if it did the other participants swung the argument towards the United Nations, where it belongs. The history of mediatory efforts between Iran and Iraq is not encouraging. The UN, the Islamic Conference, and such studied neutrals as the late Olaf Palme, have all hit the rock of Iranian intransigence. That is not, however, an adequate reason for failing to try again. The war itself has altered in character and neither of the certitudes on which Iran pinned its hopes — the success of human wave attacks, the overthrow of Saddam Hussein — has come to pass. It thus became sensible policy for the Venice Seven to put themselves behind Mr Perez de Cuellar's efforts and to go on from there, if need be, to a stronger resolution in the Security Council demanding a ceasefire and a negotiated settlement.

Kuwait, which is the aggrieved party because of Iranian attacks on its ships, has wisely taken Soviet as well as American protection and is now to ask China to join in, too. Of all the conflicts which have come before the UN few have been so free of immediate big power rivalry. That is the argument for giving the UN the fillip it needs by using it in the manner for which it was created. Another good reason for failing to panic at this stage is that the Silkworm missile, though a nasty tool, is not quite the doomsday weapon of recent mythology. It is inferior to the Exocet that sank the Stark. And, of course, it has not yet been deployed at the Strait of Hormuz.

For the rest, the Seven made plauditory and admonishing noises about relations with the Soviet Union and added new protocols to the action against terrorism which has occupied them at every meeting since Bonn in 1978. Whether those are verbal or substantive remains to be seen. Will a time come when the airlines of states which are soft on terrorism find the skies closed to them? That is the aim, but the difficulties of definition are tremendous. From Bonn, through Tokyo, to Venice, terrorism remains a good subject for declamatory resolve but it won't — like all the problems the world meets briefly to discuss — be put to rout by words.