

European Commission says "No" to BA Probe



Sir Colin Marshall, BA chief executive, standing in the Wings Club in New York.

Allegations of uncompetitive behaviour against British Airways were dismissed as insufficient grounds for inquiry by senior Brussels Eurocrats. Letters of complaint from Jean Pierson, chief of Airbus were said to lack substance, in spite of their supposedly highlighting some "*very sharp commercial practices...*" it was claimed.

Pierson alleges that British Airways, (who's shares have just soared on news of better than expected profits) was involved in behind the scenes dealings with US engine manufacturers General Electric in discounting and unfairly favouring Boeing over Airbus, and General Electric over Rolls Royce. However, it has been suggested in Brussels by those in the know that Pierson is seeking to make political capital out of the issue so as to embarrass the Competition Commissioner, former British Home Secretary Leon Brittan.

It is possible though that Pierson may have bitten off more than he can chew: Brittan has a reputation in Europe of being his own man. Nevertheless, it is expected that he will soon have to approve a 2 billion Franc (about £200 million) bail out of Air France by the French government.

Brittan has also been sweet-talked into procrastinating over the break up of the gas and electricity monopolies.