

britain

British Working Class "Chooses" Fascist Policies

July 25 (IPS) — Anthony Wedgewood-Benn, Britain's Minister for Trade and Industry, announced this week that 7 million pounds of taxpayers' money would be invested in two fascist pilot projects. Workers from both the Meridan motorcycle factory of Norton Villiers Triumph (NVT) and the Scottish *Evening Citizen* have been pleading with the Government to let them do what their bosses couldn't: make their respective companies profitable. Benn has responded positively, giving the Meridan workers 5 million pounds, 4 million of which is going to NVT for their entrepreneurship, and the remaining 1 million for work already in progress. Former employees of the Glasgow publication will receive 2 million pounds to set up their own newspaper.

Benn's announcement coheres perfectly with the Labour Government's policy of bankrupting certain sectors of the British engineering and mechanical industries. As the *Sunday Telegraph* of July 21 noted, Benn made a deliberate decision to bankrupt Meridan, in order to scoop it up later. NVT had asked the Northern Regional Development Council for a mere 450,000 pounds to develop a special engine at the plant. Normally, approval for this grant would have been routine. But, according to knowledgeable sources, Benn personally intervened to block the loan because "he wanted

to have some cards in his hand" for negotiations with NVT.

Why Benn would want to spend 7 million pounds on bankrupt firms is painfully clear. One of the other major events this week was the dissolution of the Tory National Industrial Relations Court, thus restoring free collective bargaining with British trade unions. The government now has only one method to ensure that the country is not immediately brought to its knees as workers demand wage rises commensurate with the rise in the cost of living — its "social contract" with the trade unions.

The essence of this social contract is the self-policing of the unions — taken to its logical conclusion in the NVT and *Evening Citizen* arrangements. Already, labor leaders like Jack Jones, Hugh Scanlon, and Len Murray have cajoled their members into accepting the austerity-level wages which the government has imposed so that the Labour Party can bring "socialism" to Britain.

As the workers from Meridan and the *Evening Citizen* will soon realize, Benn's "socialist" plans for Britain are outright self-induced speed-up of the working class. Labour's nationalization program, unaccompanied by simultaneous plans for expansion and modernization of all sectors of a generally obsolete industry, can only mean starvation for the workers who must now run those factories.

British Trade Unions Boost Forced Work

July 17 (IPS)—Britain's trade unions are giving enthusiastic support to the government's planned relocation of British industry and "redundant" workers to the country's "twilight areas," the regions left bankrupt after the last depression.

As companies and local governments go broke, workers thrown out of their jobs will be retrained and given special government grants to work and live in these relocation work projects.

Last weekend, Prime Minister Wilson pledged his support for the rape of Britain: "We are determined that these areas (Scotland and Wales) shall gain as they deserve from the fulfillment of our policies in this new and exciting revolution of the 1970s, 1980s and beyond."

In the 1930s, when workers were threatened with similar kinds of forced work camps, the trade unions refused to sanction them and instead set up their own! The Trades Union Congress (TUC) has ensured that this time around they will be consulted in the planning of labor camps, so that workers can rest assured that they democratically have decided to work themselves to death.

Since the last Labour Government, which took office in 1964, the trade union leadership has worked actively with representatives of industry and government on the National Economic Development Council (NEDC), which decides industrial development policy throughout Britain. Among its participants are Jack Jones, head of

the transport workers, Hugh Scanlon of the engineering workers, and Len Murray, General Secretary of the TUC. One of the NEDC's most notable decisions was a call to British workers to maintain the level of productivity achieved during the three-day week. At that time production levels were maintained at 85 per cent of the normal rate, though the work week had been cut by over 50 per cent — self-enforced speedup of over 35 per cent!

Just yesterday, Jones and Murray visited Denis Healey, Chancellor of the Exchequer, to assure him that his latest plans to reflate Britain's economic balloon had the full support of the trade unions. Murray congratulated Healey on his "excellent grasp of our economic problems." The purpose of Healey's policy, which the British press is afraid to discuss, was revealed by the *Journal of Commerce* as the "fine-tuning" of industrial expansion plans for the depressed areas.

Where Does NATO Get its Authoritative Opinions on the USSR?

July 20 (IPS) — The June issue of *NATO Review* contains an unsigned article entitled "The Soviet Union: A Financial Power." The principal argument of this article is that the Soviet Union should not be granted subsidized credit to import the products of the industrialized nations, but should be compelled to finance such purchases at current market interest rates.

To discover NATO's information source, compare the arguments of the NATO article with the statements of Chase Manhattan Bank economist Larry Brainard, in an interview conducted by IPS in May [See IPS No. 3].

NATO Review

"The Soviet Union has seized on a well-established feature of the West, namely, inflation. Borrowing at rates of 6 to 8 per cent over a period of up to 15 years has been a highly profitable exercise with inflation rising from 5 to 6 per cent in most Western countries in 1970-72 to 10, 15, and 20 per cent at the present time...the

Soviet Union borrowed over \$1 billion worth of currency on the Eurocurrency market alone between early 1972 and mid-1973. This bolsters the impression referred to above since the credits must obviously have been granted by banking consortia which would not have ventured into this field without sound reasons for believing that the Soviet Union was creditworthy." And, "Extensive export credits to the Soviet Union at preferential rates may be considerably curtailed in the future."

Larry Brainard [from the notebook of our financial correspondent]

"I don't think the credit issue is a big problem. My impression is that credit will be available at market rates. It's a question of price, not the supply of credit. 12 per cent interest isn't a bad rate in terms of inflation. The Soviet Union is anxious for government-subsidized credit, so the strain is on the Soviet side. Our bank is very willing to lend to them."
