

## SPECIAL REPORT

# Britain turns fascist

## New Tory government

All eyes will be on British Chancellor of the Exchequer Geoffrey Howe when he unveils the Tory government's first Budget on June 12. Thatcher-watchers take note: the Budget will outline for the first time in concrete detail the fiscal and economic policies which Her Majesty's Government intends to use for the transformation of Britain into a fascist state.

This is neither an exaggeration nor an understatement: the policies of monetary practice which the Thatcher government has already adopted as its own are based on a mixture of Mont Pelerin Society "free enterprise" and International Monetary Fund austerity which provided the model for the butchery of Chile. In the advanced sector these policies will be indistinguishable in consequence from those of Nazi-occupation practices in Eastern Europe. Heavy industry, except those high technology enterprises useful to bolstering a war machine, will be summarily dismantled, the unproductive labor force will be "sacrificed" while the elite aristocratic faction pulls a dark curtain down on the future of scientific progress except as befits their own, peculiarly British aims.

As in Hitler's Germany, the fascist transformation will be carried out from the top down—by the right wing Tories who hold dual membership in the Mont Pelerin Society and the top Conservative think tanks (which are in turn linked to the British Crown), and the faction of hard-core "Empire loyalists" who stoutly believe in maintaining the institutional parameters of British aristocratic pomp bolstered by as much military show as can be mustered. In traditions of the present century, this is what "futurist" H. G. Wells, British geopolitical "experts" like Lord Milner, and other members of the Round Table crowd viewed as the essential trappings of oligarchical policy.

The gathering of ghouls this week at a memorial service for German-born Heinz Koeppler—founder and "warden" of the British "de-Nazification" camp known as Wilton Park—clearly reflects the preoccupation of London's top policymaking circles with the Schachtian experiment they themselves foisted on the German population and intend to replay—this time in Britain. The Lords and Ladies present intermingled appropri-

ately with representatives of the International Institute for Strategic Studies, the Royal Institute for International Affairs, the major oil companies and the diplomatic and political community (such as Lord Chalfont, Enoch Powell, the newly appointed British Ambassador to the U.S., and members of the Ormsby-Gore family) who will be implementing the nuts and bolts of the oligarchy's fascist transformation.

### Labour government prepared the way

Although the Tory government will have the honor of systematically gutting the British economy, the way has been prepared by successive Labour governments under Harold Wilson (who was knighted for his services) and "Uncle Jim" Callaghan. During the era of "social contracts" and "voluntary" wage restraint, the British labor force and its organized trade union leadership was tamed, swindled, and demoralized to the point that there is now no significant obstacle from within Britain to the implementation of full-scale fascist policies. This is the sort of service the British crown is accustomed to receiving from "Labour" governments.

Tory commentator Peregrine Worsthorpe announced triumphantly in the *Sunday Telegraph* May 25 that the British trade unions had lost their "moral legitimacy" over the last few years, and with only brute strength to offer would be no match for the "Iron Lady" herself. Warning of what is to come, the *Financial Times* editorial of May 24 charged that the unions had been "spoiled" under the Labour government which sought their agreement on practically everything. Under the Tories, the tables would be turned: the trade unions would be relegated to their proper role which most emphatically would not include a say in economic policy.

Although the British trade unions have been duly incensed by initial Tory promises to rip up labor's rights and destroy employment opportunities, they will find little sympathy from the British Labour Party. Callaghan formalized his complicity with Thatcher's fascist program this week when he told a meeting of trade unionists and party representatives that the Labour Party would not support "politically inspired

action" by the trade unions to thwart the policies of the elected Tory government.

It was under Labour that Britain's road to deindustrialization began. The steel sector was the first to be dismantled. Under British Steel's rationalization plans—approved by the Labour Government—steel production in Britain has fallen below 1970 levels and is now the lowest in Europe; new layoffs by the thousands are announced every month. During the last phase of Labour rule, economic growth came to a halt and the last pretext of commitment to industrial capitalism was dropped. Between the last quarter of 1978 and the first quarter of 1979—just before the Tories took over—the Central Statistical Office recorded the largest single drop in manufacturing investment since 1975.

#### **Let them eat chips**

Tory economic policy begins where Labour left off. Initial leads from the press and the Conservative Party Central Office suggest that Howe's Budget will begin "at once" to cut public expenditure to the bone. After shuffling through Labour's unpaid bills, the Tories have announced that they will seek even deeper cuts in government spending than originally thought necessary—beginning with the Departments of Industry, Employment, Health, Education and Environment (Local Government). A freeze on hiring for government jobs has already begun. Employment subsidies, regional development aid and other capital spending programs are slated to be phased out and the National Enterprise Board (NEB)—set up under Labour to bail out ailing manufacturing plants with government aid—will be dismantled.

The basic policy toward the economy—as outlined May 15 in the Queen's Speech—will be to triage large sectors of Britain's remaining civilian manufacturing capacity and to defend only a narrowed base of militarily relevant high technology industry useful to furthering Britain's war drive. The rest of the British economy and the population it supports will be set adrift to rot.

This delicate surgical exercise has been entrusted to

Industry Minister Sir Keith Joseph—who like Howe, is a member of the Mont Pelerin Society. Sir Keith, already dubbed the "Dr. Strangelove of the economic world," will attempt to balance the books by cutting thousands of pounds in subsidies to "lame duck" industries which have no role to play in a "postindustrial" society.

The money "saved" by shutting down rather than upgrading older industries and auctioning off "unprofitable" chunks of the state sector such as aerospace and shipbuilding has already been budgeted for increased defense spending: raising the pay levels of Britain's top military brass, buttressing the Royal Air Force and financing a new generation of nuclear weapons. This was implicit in the Queen's Speech which pledged the Tory government to "strengthening our contribution to NATO" and "maintaining the effectiveness of Britain's nuclear deterrent." Weapons for export will continue to be manufactured. In fact, the Duke of Kent (first cousin to the Queen) is expected to personally smooth the way for an early signing of the Harrier jet sale to China during his visit to Peking this week.

In the meantime, Thatcher's advisors are already paving the way for a British society run by a class of managerial elite: experts in terrorism and military strategy who will dominate the "postindustrial society" after the productive labor force has been sacrificed. This theme was spelled out in *Washington Post* London correspondent Bernard Nossiter's new book, "Britain, the Future That Works." Appropriately enough, a computer software expert has been selected to head up the government's private think tank, the Central Policy Review Staff. Reports suggest that he will recommend scrapping the National Enterprise Board, but will urge the retaining of its microchip division, INMOS, to give the government an edge in the "high technology" enterprises of the future.

Although the new "silicon chip" technology which the Tories are now investigating could easily be used to advance the productive powers of the workforce and develop sophisticated industrial processes, for Britain the "future that works" does not include scientific or technological progress for the population at large; this is meant to be the preserve of the aristocratic elite. As the Earl of Gowrie (a member of Thatcher's new Cabinet who traces his heritage back to the family of Ruthven which was plundering the English countryside before people started writing history) announced last weekend, the oil crisis should not cause any real problems for Britain, even if Emergency Powers have to be invoked, as long as consumers take action to reduce demand and industry curtails its energy needs. "Only such a reduction will bring about the effect we want," Lord Gowrie added.

—Marla Minnicino

## Britain's economy: 'sick man' of advanced sector

