

tion. But should he do so, he will be pilloried for a new U-turn.

### 'Throwing himself on barbed wire'

London *Observer* political commentator Simon Hoggart characterized Major's strategy thusly, in an Oct. 25 article entitled "A Whiff of Defeat in the Air": "It seems now that every time John Major sees a roll of barbed wire, he is seized by the impulse to throw himself upon it. . . . It is conceivable that he might not be prime minister two weeks from now." Hoggart derided Major for insisting, against all reason, that the Parliament approve his Maastricht policy, or he will resign.

Hoggart said that Major has made every possible mistake there is to make in the weeks after Black Wednesday. Since Sept. 16, Britain has had four different economic policies. Among the insiders in the Whitehall civil service, who occupy eminent posts as permanent secretaries in various ministries, the Major government is perceived as the most incompetent in memory. Indeed, the government "has been in a state of almost continual crisis" since Sept. 16, "exacerbated by a constant refusal to recognize how deeply in trouble they are." So despised are its policies that there is even a mood of nostalgia in certain quarters for Margaret Thatcher to come back as prime minister! According to Hoggart, Major is increasingly "emulating Field Marshal Haig," the World War I general who sacrificed the lives of tens of thousands of British youths in battles that never had to be fought: "Major has decided to hurl himself at yet more unnecessary enemies."

A similar view was taken by *Financial Times* commentator Joe Rogaly on Oct. 27: "No sane government ties a hand-grenade round its waist and threatens to pull the pin if it does not get its way. For Mr. Major and his colleagues to do so is a clumsy confidence trick." Until that, Rogaly noted, he had doubted that Major would be out of office soon, despite the big political-economic crisis in Britain and his loss of credibility. But now, "what point is there in Mr. Major carrying on" if the Maastricht bill is indeed defeated Nov. 4?

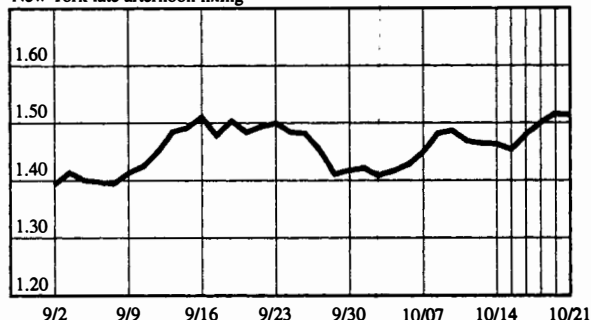
Britain's tabloids are having a field day, speculating that Major has become mentally unhinged. The *Sun* of Oct. 23 headlined, "Are You Going Bonkers in a Major Way?" The *Mirror* of Oct. 27 quoted one unnamed cabinet minister: "It could be the time for the men in white coats."

More seriously, a new Labour Party report entitled "Crumbling Britain," documents that Britain under the Tories has invested less in schools, roads, and housing than any industrialized country excepting Greece. Another relevant comment was that of London *Guardian* finance editor Will Hutton. He wrote on Oct. 27 that what is needed is "thinking about the interrelationships between public infrastructure spending, the real economy, and the consequent impact on public finances." Among his various proposals, he insisted that Britain create a "national investment bank."

## Currency Rates

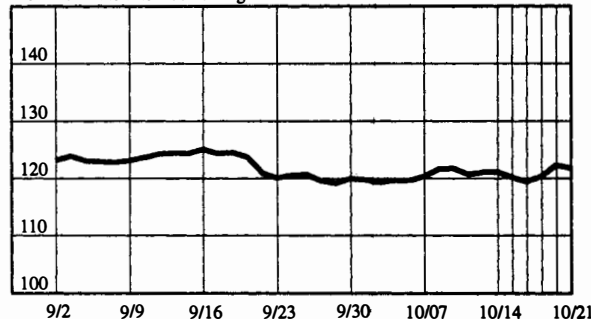
The dollar in deutschemarks

New York late afternoon fixing



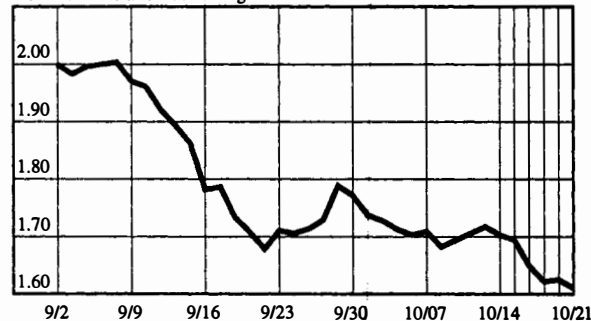
The dollar in yen

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing

