

"We hold that neither the effect of wage rises on inflation, nor the steady rise until recently in public expenditure, are major root causes of Britain's economic problems. The central problem has been a failure of private 'enterprise' to invest in British industry."

The sincere uneasiness of many trade unionists about the government's strategy has been further exacerbated by the open attempts of a "broad left" coalition made up of the British Communist Party (CPGB) and various so-called "Trotskyist" groups to tear up the social contract, and the Callaghan government with it, even if it means a return to a Conservative government. British Airways officials have charged that the "International Socialist" group is the primary cause of the union's hardline stance during negotiations on the settlement of the strike at Heathrow airport. But attempts by this left coalition to stage a mass demonstration in London of 10,000-20,000 people on April 20 drew only 3,000 demonstrators.

In an attempt to avert a complete breach between itself and its trade union base, the government is coordinating closely with top trade union leaders such as Jack Jones of the Transport workers union, to broaden the meaning of the social contract beyond pay policy and to educate union members in the government's longer-term

industrial strategy.

Prime Minister Callaghan initiated the campaign during a speech to the Welsh TUC conference in which he warned union members against hyperinflation if all wage demands arising from a return to free collective bargaining were met by "increasing the supply of confetti money, printing pound notes again." Rejecting the possibility of an immediate "deal" on Phase III wage policies between the union leadership and the government exclusively, Callaghan pledged to spend the next three months of trade union conferences making clear to trade union members the details of the government's economic strategy and their responsibility in implementing it. Already, Cabinet ministers have been deployed to smaller trade union conferences and local trade union council meetings to discuss economic strategy with participants.

Callaghan's strategy not only has the support of trade union leaders like Jones; John Methven, the head of the Confederation of British Industry, the industrial organization which forms the third part of the government's tripartite discussion on economic policy, has called on the government to take a more positive initiative in selling its program.

New Northern Ireland Destabilization Aimed At Callaghan

Rockefeller private intelligence networks operating through the Provisional IRA (Irish Republican Army) and local Protestant "loyalist" groups in Northern Ireland have threatened new terrorist actions in the strife-torn province aimed at undermining Callaghan's government in Britain.

Militant Protestants announced last week that they would begin a campaign of economic disruption if the government did not introduce stricter security measures within seven days and take action to restore Protestant control of the provincial Parliament, suspending proposals for power-sharing with Catholics. If the British government acquiesced to either of these demands, the IRA would mount fresh terrorist attacks in Northern Ireland and probably Britain as well. (The IRA's number one assassination targets recently have been prominent Northern Ireland industrialists.)

On the other hand, if the Callaghan government refuses to meet the deadline, the United Unionist Action Council, an umbrella grouping of loyalist bodies, has threatened a province-wide general strike similar to the 15-day shutdown in May 1974 which toppled the first Northern Ireland Administration in which the Catholics shared power.

The Protestant ultimatum was addressed to Britain's Northern Ireland Secretary, Roy Mason as a half-page advertisement in the *Belfast Newsletter* April 25. Mason, who has consistently made economic reconstruction the major plank of his Northern Ireland policy, has moved to defuse the explosive situation. Warning that a general strike would not only have "disastrous effects" on the pro-

vince's economy but would help the IRA in its attempts to make the province ungovernable, Mason has tried to mobilize public opinion against the threatened Protestant protest and has indicated to local politicians that the government is ready to adopt a more forceful approach against the strikers than that taken in 1974.

Because most top jobs in Northern Ireland's crucial industries are held by Protestants who will presumably strike, a substantial increase in government troop levels would be required to maintain essential services, particularly electricity (there are now 14,000 soldiers in Northern Ireland, compared with 17,500 in May, 1974).

Not only would military intervention cause a reaction from the IRA, it would tear apart the British Parliament: the reason the Rockefeller networks have undertaken this operation now. Strike-breaking action by the Army could arouse British workers against cooperation with the government under the "social contract," central to success of British Prime Minister Callaghan's industrial growth program. This Rockefeller network offensive is being mounted just as Callaghan has scored one of his most important victories toward boosting employment in the province. According to the *Journal of Commerce*, Shell Oil cancelled negotiations with the Japanese shipbuilding firm of Mitsubishi — although their prices were 20 percent lower — in order to place orders for two liquid gas tankers with the Northern Ireland shipbuilders, Harland and Wolff. The contracts will provide 2000 jobs for two years in high unemployment districts of Belfast, and had been a personal objective of Callaghan's.