

## The world is collapsing around Britain's Thatcher

by Mark Burdman

The resignation of British Deputy Prime Minister Sir Geoffrey Howe on Nov. 1 represents the end of an era in Britain. Howe was the last remaining cabinet member from the original 1979 Margaret Thatcher cabinet. As the London *Financial Times* put it brutally on Nov. 3, the time has now come for "the sole remaining survivor of Mrs. Thatcher's 1979 cabinet to depart." The "sole remaining member" is none other than Thatcher herself. The paper reported the hopes of unnamed ministers of the British government, that Thatcher's husband Dennis would prevail on her to peacefully resign and retire to their new home in Dulwich in the days or weeks ahead.

In his resignation letter, Howe cited strong differences over British policy toward Europe as the reason for his departure. That had, indeed, become a highly important issue, in view of the British government's isolation at the European Community (EC) heads of state meeting in Rome on Oct. 27-28, and in view of Thatcher's insistent anti-European carping. Throughout the European continent, there is a growing anti-British backlash. Powerful British elites, typified by former Foreign Secretary Peter Lord Carington, are in despair that the longer Thatcher stays in power, the more Britain will be left out of politics in Europe and will be unable to manipulate European politics from within, through "balance-of-power" and "divide and conquer" stratagems.

But Europe is not the only point of contention. It is inextricably linked to Britain's dire economic problems, and this factor of economic collapse is a central reason for the snowballing anti-Thatcher sentiment, whether it be among political and banking elites, businessmen, or the general public. On Nov. 6, the Confederation of British Industry (CBI) launched its strongest attack on the Thatcher govern-

ment in a decade, warning that British industry had been seriously weakened by high interest rates and high inflation rates at precisely the moment when it needed to double investment to compete with European competitors. CBI director-general John Banham declared: "Too much of the damage has been self-induced: the speculative boom in housing, of interest rates too high for too long," and delay in joining the European Exchange Rate Mechanism. CBI spokesmen warned that the government was ignoring infrastructure development, and that as a result, Britain was falling dangerously behind Europe. Banham warned that the Thatcher government would soon be ousted, unless it "got its act together" on Europe and the economy. "A board that is divided is ripe for takeover," he stressed.

Beyond Europe and the economy, the opposition to Thatcher is a reflection of growing anxiety within segments of the British Establishment about imminent war in the Gulf, for which war Thatcher has been the most enthusiastic international advocate. Although this is not addressed explicitly in Howe's resignation letter, his resignation has severely undercut Thatcher's credibility, precisely at the moment when war clouds are gathering. Senior continental European and City of London insiders stress emphatically, that there is a growing faction of British military and intelligence insiders who are opposed to a "Falklands II" adventure in the Gulf, and that Howe was, in effect, acting as their point man. Howe's resignation came more or less three months to the day after the Aug. 1-2 Iraqi invasion of Kuwait.

Coincidence or not, as news of that invasion came from the Gulf, Thatcher was on a plane to Colorado to receive an award from the Aspen Institute. She used the occasion of her U.S. trip to devote no less than five days to intensive

consultations with President George Bush and his advisers, during which, according to British press accounts in August, she “stiffened Bush’s resolve,” and “played Lady Macbeth to George Bush’s Hamlet.” Since Nov. 2, the English-language *Baghdad Observer* has run interviews and commentaries pinpointing Britain’s role in pushing the U.S. into war. A Nov. 6 commentary attacked “perfidious Maggie” for her leadership of the war party, but also reported her growing internal problems in the United Kingdom. Indeed, three months after Aug. 1-2, the case can ironically be made that Thatcher is in more political trouble than is Saddam Hussein.

### **Howe, Heath, and Heseltine**

It is hardly a coincidence that Howe’s resignation letter was delivered to 10 Downing Street at 6:00 p.m. the evening of Nov. 1, just as news was coming from London of British government fury at the German government, for Bonn’s declaration that it would be backing former Chancellor Willy Brandt’s diplomatic trip to Iraq. London was particularly incensed because, only hours before, Foreign Secretary Douglas Hurd was boasting that at the Rome summit, Britain had painstakingly won the commitment of the other EC countries *not* to launch independent diplomatic initiatives around the Gulf. Just as the blood was boiling at 10 Downing Street and Whitehall, Howe dropped his resignation bombshell.

On Nov. 1, former British Prime Minister Edward Heath launched his strongest attack ever on the Bush-Thatcher war policy in the Gulf. Heath denounced President Bush for having said he “had had it” with Saddam Hussein, and called on Thatcher to “disassociate herself from the President’s statements.” Heath stressed that a war “is a question of life and death for tens of thousands of people,” and could potentially plunge the world into the deepest recession since the 1930s. He stated: “There must be a distinction between appeasement and solving a problem. And what we have got to do in the Middle East is solve the problem. That requires a diplomatic effort. And that effort is not being made. The government has abdicated diplomacy.”

The London *Daily Telegraph* commented Nov. 2 that Heath was emerging as the “head of the anti-war faction at Westminster.” He continued his outspoken intervention throughout Nov. 3-4, declaring Saddam Hussein to be a man “we can negotiate with,” and chiding the bishops of the Church of England for having failed to endorse a process of negotiations and war-avoidance. The pro-war *Sunday Telegraph* noted with apprehension on Nov. 4, that Heath had been consulting with and advising Brandt before the latter’s mission to Baghdad. The paper said that Thatcher was “furious” at Brandt for his Iraq initiative. In a rare moment of anti-British defiance, Brandt shot back that Thatcher should rather be concerned with the problems “at her own doorstep,” before all her cabinet members desert her.

On Nov. 4, the next bombshell exploded. The British press released the text of a letter by former British Defense

Minister Michael Heseltine to the head of his local Conservative Party constituency branch, expressing his concern that Thatcherite policies toward Europe were a disaster. Heseltine has long been recognized as the most prominent and persistent challenger to Thatcher within the Conservatives. And where was Heseltine when the text of the letter was released? In Jordan, in the middle of a diplomatic swing through the Middle East.

### **‘The best service she can render’**

During the week of Nov. 5, Thatcher and her loyalists began to mount a furious witchhunt against Heseltine and his backers, insisting that “intra-party discipline” would be ruthlessly imposed. The Thatcherites’ intent is to head off a leadership challenge within the Tory Party later in November.

But short of an immediate war in the Gulf preempting the political challenge against her, Thatcher is in an impossible position. The more she acts in her traditional way, the more she damages British interests, and the more she fuels opposition to herself. As maverick Conservative parliamentarian Tony Marlow (who has opposed the Gulf intervention) put it diplomatically on Nov. 2, Thatcher was necessary in the latter 1970s, fine for the 1980s, but obsolete and harmful in the 1990s.

Polls published on Nov. 4 in the *Independent on Sunday* and *Sunday Correspondent* weeklies showed two-thirds of British voters want her to step down before the next general election. On Nov. 8, new mid-term election results in Bradford North and Bootle election districts are expected to bring further disasters for the Tories, after the late-October travesty in the election district of Eastbourne, where the Tories lost a usually “safe” district to a candidate for the also-ran Liberal Democrats.

Meanwhile, Establishment mouthpieces are demanding Thatcher’s head in language that is bloodthirsty even by the Establishment’s standards. On Nov. 3, the *Independent* daily headlined its editorial, “The arch-divider.” The editorial began: “It now seems unlikely that the Conservative Party can win the next election under Mrs. Thatcher. This is not because of the European issue as such. Europe is not the top of the agenda for most voters. They are more concerned with health, education and the economy. . . . What is going to bring about the defeat of the Tories if they do not get a new leader is the public perception of a deeply divided party facing a series of important domestic and international decisions.”

The paper asserted that “the vast bulk” of Tory Members of Parliament “instinctively realize that the Prime Minister has gone over the top and that her obsession may be harming both party and country. The truth of the matter is that it is the Prime Minister herself who magnifies and exacerbates the differences within the party and turns them into yawning divisions. She is the arch-divider.”

The *Independent* noted that “if the economy were in

splendid shape, the Tories might, at a squeak, be able to afford the luxury of appearing before the electorate as a divided party. But that is far from the case." The question, it stressed, is whether the Tories can resolve their differences "while Mrs. Thatcher remains as leader. After this awful week, it is difficult to conclude in the affirmative. Only if she goes will the party be able to unite and wage effective electoral battle. . . . The only way Mrs. Thatcher can give her party a chance of victory is by resigning and then supporting her successor. It will be up to senior members of the party to persuade her that this is the best service she can render to the nation and the party."

### The lion that didn't roar

The *Independent* is one of the British Establishment dailies most sensitive to how Britain is seen on the European continent. The paper would have been acutely aware that the Thatcherites' crude attempts to whip up anti-European sentiment among Britons have flopped miserably, both in Britain and across Europe.

For example, the pro-Thatcher mass-circulation *Sun* tabloid, a mouthpiece for the Rupert Murdoch interests, called on Britons to mobilize on Nov. 2 against France and Jacques Delors, the French president of the European Commission. On Nov. 1, the *Sun* had published an editorial entitled "Up Yours, Delors," which recommended that Britons congregate the next day, turn in the direction of France and make an "Up Yours!" gesture, as a message to Delors where he should put the ECU currency notes that would be the currency of a united Europe. The editorial was filled with wild anti-French ravings.

On Nov. 2, a grand total of six people showed up at Trafalgar Square to "gesture" against France. Four of the six were Thatcherite Tory loyalists, and two were *Sun* readers. The embarrassment should not be underestimated: Trafalgar Square is named after the Battle of Trafalgar, where the British Admiral Lord Nelson defeated the Napoleonic French fleet and broke French sea power. The demonstrators gathered at the Square's famous statue of a lion, which is supposed to symbolize the British lion. The French press, needless to say, had a great time.

To add insult to injury, a correspondent for the *Independent* reported on Nov. 3 that he had spoken to numerous farmers in Germany, expecting there to be anger against the United States over the emotional issue of cuts in agricultural subsidies. Instead, he found a violent anti-Thatcher mood.

Feelings against Thatcher are so high in eastern Germany, that a *Financial Times* reporter advised British travelers in an Oct. 29 column: "If you find yourself conversing with anyone east of the Elbe, do not get into a discussion about Mrs. Thatcher's views on German unification unless: a) you have an aeroplane ticket to leave Germany extremely fast, b) you are under police guard, c) you are talking to an ex-member of the [East German communist party] Politburo."

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## Communist China

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# Is the People's Army reliable?

by Mary M. Burdman

The People's Liberation Army of China is undergoing the biggest internal shakeup since at least 1985. In the months after the June 4, 1989 Tiananmen Square massacre, when PLA troops fired on civilian demonstrators, reportedly at least 3,000 officers and soldiers were purged for mutiny, for refusing to fire on the demonstrators. Now a much more thorough purge is afoot.

Military strongmen President Yang Shangkun and his brother Gen. Yang Baibing are trying to consolidate control of the PLA and squeeze out Communist Party head Jiang Zemin, appointed as chairman of the Party Central Committee Central Military Commission by Deng Xiaoping. Chairman of the Central Military Commission was, until 1989, the only official post held by Deng Xiaoping, indicating its power. The Yangs, who occupy second- and third-level positions in the Military Commission, however, are raising "very heavy" opposition for their pains, Hong Kong analysts report.

What role will the Army play when the death of 86-year-old Deng Xiaoping, or 85-year-old, but still much more active Yang Shangkun, forces the fight for power in China into the open? One exiled Chinese dissident said earlier this year that in China, in case of civil war, the Army would split: "It would be very messy, and many people would die."

Unconfirmed reports in the British press Oct. 15 say that senior PLA officers in Guangdong and Beijing have formed a secret organization committed to forcing Prime Minister Li Peng and the Yangs from power, and restoring ousted party head Zhao Ziyang. The secret group has "funds and friends at the top, as well as in the Navy and Air Force commands. . . . There is now a division between northern and southern units."

There have been steady reports of discord between the Guangdong Military Region and Beijing. Guangdong's leaders were the last to state their support for the Beijing government after the Tiananmen massacre. However, the overwhelming concentration of military power is in the northeast; Guangzhou is weak in comparison, lacking enough experienced soldiers to form five divisions.

The leadership of the seven Military Regions was completely shaken up in April and May this year, and new commanders appointed in six regions. Then, on July 6, the *Liber-*