

## MORTIMER'S COLUMN

Jim Mortimer is a former general secretary of the Labour Party and has been a committed campaigner for nuclear disarmament for most of his adult life. Whenever possible he contributes a column to TUCND News.

### ARMS SPENDING - SACRED COW OF BRITISH POLITICS

Why is it that in all the exchanges about tax increases, lower income tax bands, and the extent of public borrowing there is the silence of the grave about military spending? Yet with a planned military expenditure in 1991-92 of about £21.5 billion the odd billion or so on taxes, about which the politicians argue so vociferously, looks - and is - not much more than small change in the coffers of the Exchequer.

There is a simple explanation for this silence about military expenditure. The principal leaders of all three of the main political parties are united in their support for this profligacy. It is not an issue to them. They do not want a public debate about it. Military spending is the sacred cow of British politics.

The cost of Trident alone is nearly £15 per week for every family of four (man, woman and two children) in the United Kingdom. Total military spending represents a cost of slightly more

than £30 per week for every family of four.

Note the contrast between military expenditure and government spending on housing. In real terms - that is after making allowance for price increases - military spending is today higher than it was in the early years of the Thatcher Government. On the same basis of calculations government spending on housing is today less than half of what it was in 1979-80.

Despite good resolutions carried at the Labour Party conference there is no real indication that Labour's front bench will press for reduced military expenditure. At the end of February Gerald Kaufman was reported as saying:

'All of the costings produced by Margaret Beckett (labour's public spending spokeswoman), upon which our expenditure plans are based, assume unchanged defence expenditure by the Labour Government...'

Martin O'Neill was reported to have commented early in March:

'The choice is between a Tory Party that is cutting our defence forces to provide electoral bribes or the next Labour Government which will spend what is required to properly defend our country.'

Britain does not need Trident. Who is it that is being deterred? For years the British people were told by

politicians who supported the so called deterrent that the possible, indeed likely, aggressor was the Soviet Union. Today the Soviet Union no longer exists and no one is likely to argue that in the chaos that has followed it's disintegration there are influential plotters who are contemplating an attack on the West.

Trident is a monumental and extravagant folly. No more should be built. The first call on the resources released by such a decision should be to ensure the employment of the men and women who otherwise would find themselves out of a job.

Cuts in military spending and conversion to provide new employment are two sides of the same coin. The argument that conversion cannot be afforded cannot be taken seriously. Whatever can be spent on arms can equally be spent for civil purposes. Indeed, whatever is produced by the conversion programme is a bonus for the satisfaction of human needs.

Sooner or later Britain will have to reduce substantially it's swollen military budget. The new government must be pressed immediately to cut military spending and to couple this with an effective conversion programme.

Jim Mortimer 14/3/92

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# TUCND NEWS

Issue No 5

## LABOUR PARTY AND CONSERVATIVE PARTY POLICY ON ARMS CONVERSION

(This article, as were all the others in this issue, was written just before the general election, when it was still unclear what the outcome of that election would be.)

The significance of the general election for Britain's future simply cannot be underestimated.

**The industries currently producing arms, upon which our economy has come to depend, will survive or perish on the difference in policies of the Conservative and Labour Parties.**

Although there is a great deal to be found wanting, from the peace movement's and the trade union movement's point of view, in the Labour Party policies on defence and on funding industry, the arms industry (upon which key sectors of our economy now depend) will survive or perish on the difference between its policies and those of the Conservative Party.

The Labour Party propose an agency, which will coordinate a range of support for areas facing disruption as a result of the decline in the market for weapons. They also propose a range of other measures which will aid our ailing industries such as increased in the level and quality of training within industry. They are clearly prepared, to some extent at least, to look at the defence industries within the context of industry overall rather than simply

viewing them in isolation. The Labour Party Euro MP's have been working hard to develop a EC programme for the areas affected by the decline in the defence industries.

The Conservative Party on the other hand believe the arguments for Arms Conversion are, in Allan Clarke's words, 'rubbish' and that the major restructuring which is about to occur is best left to the market place. One of the major problems facing the industry in trying to move into civilian production is the attitude of the British government towards support for industry. This is perhaps most clearly demonstrated by the behaviour of Leon Brittan, the EC Commissioner for Competition, in blocking both British government and European aid to rescue Sunderland Shipbuilders and the Camel Laird shipyard in the Wirral.

The Labour Party current policy could, if applied intelligently, go a long way to rescuing those key sectors of the British economy now dependent on arms production. The Conservative Party current policy would do nothing to support the arms industry in what will for some, almost inevitably, be terminal decline. There are strong rumours that, should the Conservative Party win the election, Hesaltine will be put in charge of the DTI with a brief to increase support for industry. But these are rumours, not policy and even if they prove correct there is nothing to suggest Hesaltine will have sufficient resources to make that much difference.

Whichever party wins on April 9th, there will be a great deal of campaigning work to be done to make sure the required shift in the governments attitude towards industry which will make Arms Conversion possible, is brought about. But the difference between the parties in potential for making that shift is massive.

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## DEMONSTRATING AGAINST BRITAIN'S TRIDENT

On the 5th of March Britain's first Trident submarine was slowly lowered into the water by VSEL's shiplift at the shipyard built specifically for Trident in Barrow. Tom King was present, after VSEL had made fervent requests that he should be, to give the occasion some weight. A number of CND groups sent people to throw wreaths into the water to express sadness at what the VSEL management and the government have done to the area, and to make their voices heard in opposition to Trident.



Some of the CND demonstrators at the 'Roll Out' of Britain's first Trident in March this year

those who went to protest against Trident, that were the thing not designed to burn millions of people alive, it would have been a staggeringly beautiful achievement.

One of VSEL's ideas of diversification has been to turn their own internal security personnel into a firm of security guards. A great deal of effort went into preventing peace movement people from gaining access to the dock, with elaborate fencing



everywhere and roll upon roll of razor wire. Despite all these precautions, however, to the clear delight of the assembled workforce who gave him a rousing cheer, one peace campaigner did penetrate their defences.

CND will be demonstrating again at the naming ceremony on the 30th April and would like to urge trade union organisations to participate in this. For further details contact TUCND's national office.

## WHAT'S WRONG WITH THE ARMS TRADE

Over the past ten years or so the British Government have done a great deal to encourage the export of weapons abroad, often to countries with a poor record for ill treatment of opposition forces within their own countries. We have, in fact sold weapons to some of the nastiest governments in the world such as Indonesia, Iraq, and Malaysia.

### WHY DO WE?

The cost of designing, developing and establishing a production line for sophisticated modern weapons systems is so great now that manufacturing them at all is not realistic unless there is a substantial production run to spread these costs over. Even the experience of the people making the equipment has a marked effect on the unit price of equipment. For instance the first McDonald Douglas F15 took 600,000 staff hours to build. It is estimated that by the 1,000th aircraft this

figure will be reduced to somewhere in the region of 40,000 staff hours.

Another factor is that, because of the huge costs of this type of equipment, were it not to be built in this country it would represent a huge drain on our balance of trade.

So to produce this stuff at all we need long production runs. We have to produce most of it ourselves otherwise it could cripple our economy. But even then the UK Government would not be able to buy the quantities required to make a production run viable. That means we have to export.

Over the past ten years the government have encouraged arms sales as hard as they possibly could. An office called the Defence Export Services Organisation, established by the last Labour Government has been substantially expanded by the current administration. One way of encouraging these sales is an offer from this government to a foreign power of credit to

pay for equipment bought from British manufacturers. For instance Margaret Thatcher arranged to loan Malaysia £2 billion with which they would buy a range of equipment which included initially 12 Tornado's (this was latter changed to Hawk fighter bombers), and a number of light Howitzers. This type of equipment was clearly destined for use against guerillas fighting the government.

We have slowly moved towards a position where we now depend on exports to make our arms industry viable, yet our arms industry is now a huge part of our economy.

### THE BOTTOM GOES OUT THE EXPORT MARKET

The US has decided to sell arms abroad much more aggressively in order to help some of its own producers cope with a 25% reduction

in its purchases. The European market for arms has been considerably reduced both because of unilateral cuts by a number of European countries and as a result of the CFE treaties. The third world market, which used to take 75% of Britain's exports, is facing a steady shrinkage because of the substantial debt facing a number of third world countries. Also a number of third world countries are now producing their own military equipment, in order to decrease their own balance of trade deficit. Added to this are a number of former Warsaw Pact countries whose need for hard currency is so great that they appear to be prepared to sell arms to almost anyone. Croatia and Serbia, for instance, although they are at war with each other, are cooperating to export M84 Main Battle Tanks.

All these factors have contributed to making it almost impossible for Britain to continue selling arms on the scale we have been in recent years.

### INDONESIA

Indonesia is a good example of the immorality of this trade. The current regime took power in 1965 and engaged in systematically wiping out anyone they felt was involved with the

Indonesian Communist Party. Estimates vary from 0.5 million to 1.5 million people killed by the army in that period. In 1975 the regime invaded the neighbouring former Portuguese colony of East Timour killing an estimated 200,000 people. Torture, summary execution, forced migration, detention without trial are all prominent features of the government's rule in this area now, as it is in a number of areas where they face opposition from the population.

Indonesia supplies a number of resources regarded as crucial to western economies. It is likely that both the bloodbath following the coup which brought the current government to power and the invasion of East Timour were enacted with the approval and encouragement of the US Government.

Despite their appalling record on human rights and despite the genocide being carried out by their government Britain has supplied large amounts of

military equipment to their military government.

In November last year troops opened fire on a funeral procession in Santa Cruz. When they stopped firing they clubbed to death the wounded. Estimates vary from between 50 to 180 people killed. Probably because of this massacre the announcement of an £11 million sale of a former RN auxiliary vessel (the Green Rover) was delayed for six weeks - but the sale is still going ahead.

TUCND are asking contacts and af-



This type of equipment is all too readily available on the international market

filiates to write to the government urging them to cancel this order and seek a sale to another government once the refit, currently underway at Swan Hunters on Tyneside, has been completed.

## CND'S PEACE DIVIDEND CAMPAIGN

Some time ago TUCND took a decision to organise a large scale campaign for the peace dividend. We also decided to try and press CND to run this campaign too and, largely because of the motion moved by TUCND at CND's conference, it was agreed that this should be a major priority this year.

A range of campaign material has been produced around this campaign and CND groups will be asked to lobby a number of different local organisations, ranging from the local Chamber of Commerce to the Women's Institute. Local groups will also be asked to leaflet arms plants in their area with material produced by TUCND.

Trades Councils and Constituency Labour Parties have been written to as well as CND groups, asking them to participate in any activities CND organises in their area.

The idea behind the campaign is to show how we can achieve the Peace Dividend, raising awareness of the changes we need to make in Government Policy so that it does become a possibility. Regular readers of TUCND News will be aware of the arguments this campaign is based upon.

One aspect of the campaign is a model motion being circulated by TUCND on Arms Conversion and Defence Spending. The main thrust of this motion is that Arms Conversion on a significant scale will be possible only if there is a significant investment in Britain's civilian manufacturing base. If this is done carefully the market for sophisticated, high technology goods and for heavy engineering equipment will expand, creating a market for those industries currently producing arms to move into. That market either doesn't exist in this country currently, because of a lack of government support and investment,

or it is serviced by foreign manufacturers who enjoy considerable support from their own governments.

This motion is being circulated as widely as possible, so that through the debate which ensues the profile of the issues involved may be raised.

For more information on this campaign contact Jim Barnes through CND's national office.



## THE LABOUR PARTY AND THE TUC CONFERENCES 1991

From the peace movements point of view both the TUC and the Labour Party conferences last year went well. Both TUC and the Labour Party passed very solid policies on arms conversion and the Labour Party conference reaffirmed its commitment to substantial cuts in defence spending.

The TUC motion on conversion recognised the dangers of siting the proposed Labour Party Defence Diversification Agency in the Ministry of Defence and advocated it should work through the Department of Trade and Industry. It also outlined what they felt the DDA should do. It said "The DDA should, therefore:-

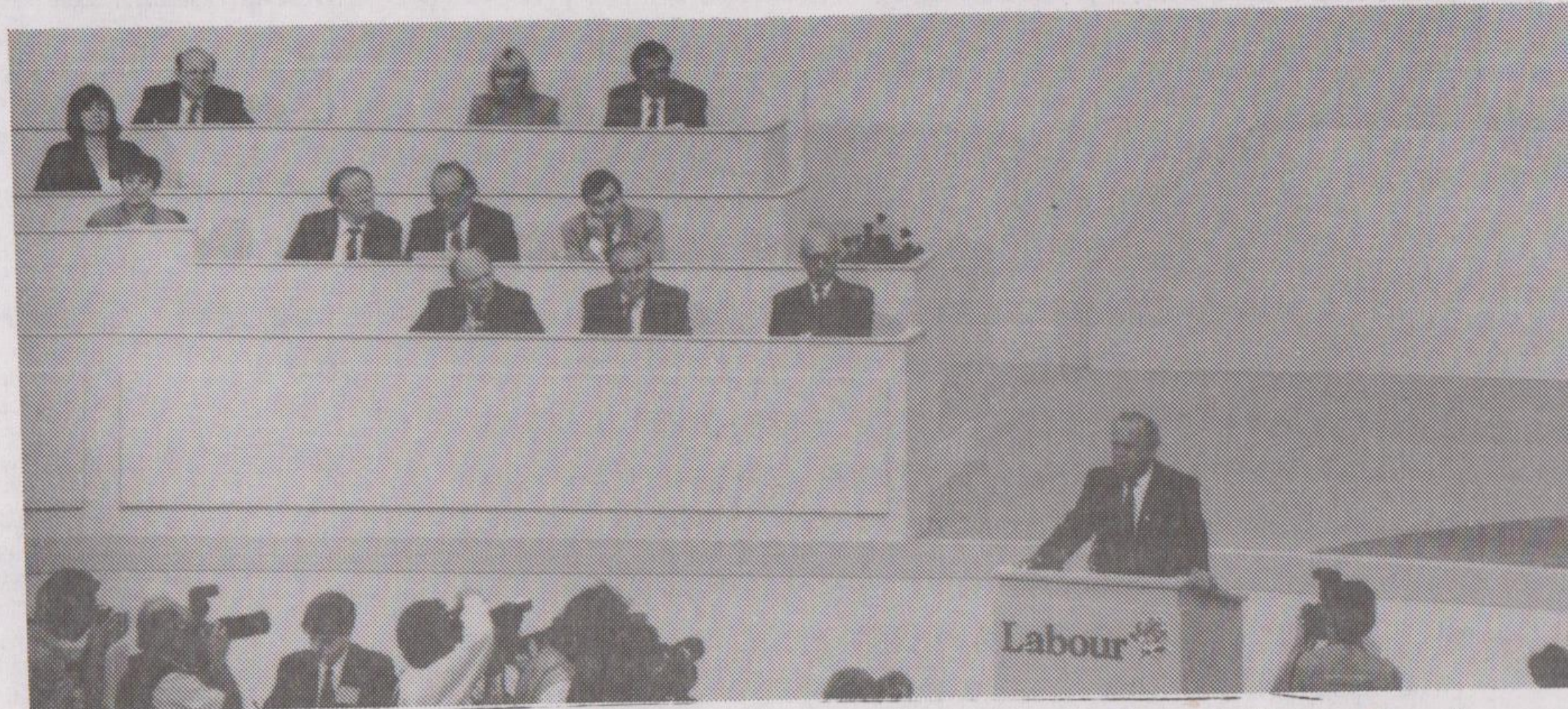
i) Work with local authorities in planning the restructuring of industries at a local level:

ii) work through the Department of Trade and Industry to develop potential civilian markets for the arms industry to move into:

iii) Look at the long term implications for arms manufacturers of planned changes in procurement:

iv) consult with and work through the trade unions nationally over the structure of the day to day management of governmental support for industries moving away from dependency on arms production:

v) Encourage and support company based alternative use committees



Ron Todd speaking on Arms Conversion at the 1991 Labour Party Conference

based upon trade union organisation in that company:

vi) work with the European Community to develop European wide initiatives

and

vii) consult with the research community with the aim of bringing about a major transfer of resources from military to civil research and development."

This motion was then put to the Labour Party conference by the T&GWU where it was composited with a number of other resolutions. In the form that it was eventually passed by the LP it said that the DDA should work through both the MOD and the DTI. It was passed with an overwhelming majority after a powerful and moving speech by Ron Todd. It was supported by the NEC of the Labour Party.

Another motion, not supported by the NEC, calling for a reduction in defence spending to the same level as our European NATO partners was moved Frank Parker, on behalf of Bedford Constituency LP. Frank was also CND's treasurer. This was passed by over a two third majority.

Both of these motions represent a very important move in thinking behind defence on the part of the Labour Party. Because of these the party now will view defence spending as having an effect upon industrial and economic policy rather than being seen in isolation, as has traditionally been the case in Britain. What and how we buy the means of defending ourselves should now be judged by what we can afford and how the defence policy will effect the rest of our economy. Hopefully this will remain the case through the coming set of labour movement conferences.

that Boris Yeltsin actually considered military against the Ukraine at the beginning of their attempts to break with the Soviet Union. This possible military action apparently included the use of nuclear weapons. Yeltsin has also made it clear that he feels that parts of the Ukraine should be turned over to Russia. Apparently, NATO representatives have been conducting talks in the Ukraine arguing that they need strong armed forces equipped with nuclear weapons to counter the possibility of an attack by Russia.

On result of Yeltsins behaviour and the advice given by NATO representatives has been the Ukraine's decision to halt the transfer of nuclear weapons on it's terretory to Russia.

The situation now developing in the former Soviet Union has a great many similarities to that in Yugoslavia in the build up to the civil war there. Unlike Yugoslavia, however, large numbers of nuclear weapons are involved.

There are also the beginnings of considerable friction between a number of Baltic states and several of the republics in the former Soviet Union. Estonia, for instance, is making the taking of an oath of loyalty a condition of citizenship. There is a large Polish and Russian minority in Estonia and both Russia and Poland have made angry protests at this enforced oath-taking.

Against this background the type of intervention that western governments such as Britain, Germany and the USA are promoting can only be viewed as extremely irresponsible. The current regimes in the former Soviet Union do not appear to be stable and the plight of the ordinary population in the former Eastern block countries seems to be deteriorating rapidly as these mafia type groups gradually clog up the distribution of food and resources.

What Britain's representatives should be arguing for is a measured, planned transition to a form of administration which can accomodate the changes in production and distribution which the population are calling for. Encouraging dictatorial and unstable regimes in Eastern Europe, similar to those Britain encourages in Latin America and the Far East, is extremely dangerous if only because of the fact that these countries have con-

siderable nuclear arsenals available to them.

### AN EMERGING LABOUR MOVEMENT

There are now a number of trade union and labour movement organisations developing in the former Eastern block countries which should begin to make themselves felt over the next couple of years. A typical response from these new and independent union organisations is 'we are non political' (meaning they are not aligned with any political party) and 'our first priority is to build up a strike fund'. It is very important indeed that they are given what support it is possible to muster in Britain to ensure that stability is developed in a region with such a massive nuclear arsenal.

In Russia the left is at the moment quite divided. It consists of a number of new parties ranging from people who think Stalin wasn't a bad chap to people who would be roughly equivalent to the centre of the British Labour Party. There are also a smattering of organisations similar to the Trotskyist left in Britain. The largest of the parties formed out of the former CPSU would appear to be in a position to win a general election in Russia were they either to unite or form a coalition. However, as the situation in Georgia would indicate, winning an election is not equivalent to winning power. As the various states fragment and destabilise so does the possibility for democratic control diminish. Also there is very little in terms of an alternative set of economic policies coming out of these parties other than a straight rejection of the way that things are going at the moment.

### CONVERSION POLICY IN THE FORMER SOVIET UNION

Perhaps the saddest thing about the current situation is the lack of coherent control for the redirection of the arms industries into the civilian economy. There is a national conversion agency in Russia but it would appear to be floundering about without a clear policy, other than a Thatcherite policy of letting the market prevail. As with a number of areas of the current Russian administration the people run-

ning it are the same people who ran the Brezhnev administration. Instead of hearing of the joys of the five year plan you now hear how the market will, after a bit of pain, solve all. One rather rude phrase used by a journalist recently to describe the head of this conversion agency was more a term of self abuse than a term of abuse.

The principal problem with most of the Soviet Union is the breakdown of distribution. The former distribution networks operated by the state are being dismantled rapidly. What is moving in to take it's place is ramshackle and inadequate. It is also apparently dominated by people from the former regime who operate a sort of mafia, trying to control the distribution system for their own ends and choking it up in the process. Some of them are now very rich people indeed. The distribution problems mean that manufacturing industry is finding it incredibly difficult to maintain raw material supplies, and as difficult to distribute and market it's products. The arms industries have the additional problem of having to try and develop new product ranges for the civilian market.

The current governments in the parts of the former Soviet union clearly do not have a solution to the deteriorating quality of life for ordinary people. As the situation slides towards political fragmentation it can either develop into civil war or a coherent political alternative to the current free marketeering has to be established. The desire of some to return to the old order is not realistic. If the various labour movement-orientated political parties can develop a coherent alternative to the blind free market policies and corruption being encouraged currently they are on to a winner both for the people working in the arms industries and for the country as a whole. A real conversion policy is, however, unrealistic without a political change in Russia.

## THE BREAK UP OF THE SOVIET UNION - COUP AND COUNTER COUP IN EASTERN EUROPE

European Nuclear Disarmament (END) held part of its annual international conference in the Soviet Union towards the end of last year. A number of people from various peace movement organisations in Britain remained after the conference to visit some of the sites in the then Soviet Union. There were, therefore, several people present during the attempted coup to displace Gorbachov in the Soviet Union. From their reports it would appear that both Boris Yeltsin and Gorbachov were involved in these events. That is, they actually encouraged the organisers of the coup.

The demonstrations which took place immediately after the old Communist Party leaders took over were, according to their reports, organised largely by right-wing groups and took place with the direct support of the local authorities in St Petersburg and in Moscow. Several described the sight of young men carrying nationalist flags as quite chilling. Several have also described the events after the coup as being, in effect, a counter coup, with wide ranging and extreme measures being taken, such as the closing down of newspapers and the banning of the Communist Party. A number went so

far as to suggest that organisations similar to the mafia now control a great deal of the economy and their development has been helped considerably by the coup and the counter-coup.

These reports differ considerably from the type of report carried by the media in Britain, and would suggest that the democratic process was not exactly what Boris Yeltsin and Gorbachov had in mind in their reaction to the events.

Since then even more worrying trends have emerged. It would appear

# THE SHIPBUILDING INDUSTRY AND ARMS CONVERSION

At the moment the warship yards in Britain face a serious crisis which, unless there is some substantial change, will prove terminal for some of them. VSEL estimate that the industry will shrink from employing 22,000 people currently to something like 7,000. However, given modern shipbuilding technology where a vessel can be built in sections in several places at once and given the trend towards having a primary contractor who subcontracts construction, there is little reason why the bottom should remain at 7,000 jobs.

The reasons for this impending dramatic decline are fairly evident, as are the possible alternatives for the industry. What is somewhat more complex is working out how to make it possible for the industry to begin to move into those alternative areas.

## WHY IS IT HAPPENING

The Warship industry is facing a substantial decline in the orders placed by overseas customers, partly because of the reduction in international tension, but also because of the sale of second hand vessels by a number of countries, principally the USA. This type of equipment fits the specifications for a number of developing countries where costs need to be kept down. The USA have a large number of vessels within this general category which they will soon be taking out of service as they reduce the overall scale of their defence posture. About 30% of the military equipment manufactured in Britain was for export and this would include a sizeable portion of naval equipment. 75% of that figure went to the Third World which have the type of customer interested in second hand vessels as an alternative to ordering new ones.

Also, what is required of the navies of the developed world is changing with the reduced East - West tension. This reduction in tension means that there is an overcapacity within those countries which took a leading part in the cold war, such as the USA.

Britain itself will be cutting back dramatically on warship production, partly as a result of reduced defence budgets but also because the Trident

programme will soak up a large portion of the Royal Navy's procurement budget for the next few years.

## COMPANY AND UNION ALTERNATIVES

Faced with a very rapid decline in their market most of the companies involved have acted quickly and resolutely to stick their heads in the sand. VSEL, for instance have produced what appears to be a credible long term strategy involving diversifying from being an almost exclusively submarine manufacturer into producing, amongst other things, surface vessels for the navy and a light howitzer. The problem with this plan is that it includes the same work that is in the long term plans for most other warship yards plus some that other defence companies are involved in. VSEL appears to believe that if the number of workers in the industry is to be reduced to 7,000 they should all be working in VSEL. Yarrows, Swan Hunter, Devonport and Rosyth would presumably go to the wall if this were to come about. Given the policy of competitive tendering for military equipment, having only one yard would appear to be not only unrealistic but also undesirable from the government's point of view.

There is an element of this unreality in all the medium to long term strategies produced by all the warship building companies. In some cases their response has been so short sighted as to warrant a white stick (with no disrespect intended to the blind). VSEL, have analyzed their failure to gain orders to build the Type 23 destroyers as being the result of their failure to bring down costs. While this is true at one level they appear to believe this is the fault of their workforce's inflexibility. That order always was going to go to either Swans or Yarrows for a host of reasons but VSEL were adamant that they were in the running for the order. Boiler makers born in Barrow are no different from those raised on the banks of the Tyne and their wage levels are not significantly different. What VSEL's management appear to have missed as they fumble their way to the boardroom is that one of the other vari-

ables is their ability to manage efficiently.

They have since circulated the union reps with a briefing which is encouraging them to put pressure on Neil Kinnock for the fourth Trident. Instead of encouraging their workers to vote Tory, which is what VSEL appear to be trying to do, there are a number of things which could be done to make it possible for those warshipyard to begin building merchant vessels. Were VSEL to use their energies lobbying for those instead of for the fourth Trident the Barrow yard could have a future, which it doesn't have now even with the fourth Trident.

## REAL ALTERNATIVES

VSEL have been attempting to lobby the Labour Leadership over the fourth Trident. They are 'concerned that politicians continue to talk about equivalent alternative work, a concept which you and we know not to be valid'. In the light of the fact that there clearly isn't enough warship work to keep the shipyards functioning the company's dismissal of such a prospect is quite amazing.

The European Community has estimated that 90% of all trade within the EC travels, at some stage in its distribution, by ship. They also estimate that a serious shortfall of shipbuilding capacity will develop in the next five to seven years. The British shipowner organisation 'British Shipping' believe that 80% of all the ships in the British merchant fleet will need to be replaced in the next ten years. According to the Financial Times (Feb 27th) one large Japanese shipowner recently ordered two ships from a non-Japanese yard, the first time they have done so since the second world war. They did this because the Japanese yards had told them they wouldn't be able to handle the order for two or three years, their order books were so full. The table shows how shipbuilding orders were distributed last year. It also shows how big the potential market is for merchant vessels.

## WHAT NEEDS TO BE DONE

The same FT article described some of the reasons why the far eastern yards have been successful. Hitachi Zosen, for instance, has reduced the staff hours to build a large tanker from 1 million hours in the early 70's to 270,000. one reason for this is that 65% of their welding and 80% of steel cutting is now automated. Both Japan and South Korea enjoy systematic government support which is not available in Britain. Japan, for instance offers up to 60% loans at 7% interest, repayable over 13 years with 3 years grace. That is how the level of automation in the Japanese yard quoted and their dominant position in the world shipbuilding market came about. South Korea offers something similar.

Factors which would give Britain a future in shipbuilding are, therefore:-

1 Changes in European legislation to allow support for military shipbuilders, and changes in regulations which limit

the support member states can offer their home industries.

2 Use of the MOD budget to support the industry. Neil Kinnock appears to be offering this to VSEL, who have not responded positively.

3 Changes in company management attitudes.

4 Tax relief on civilian research and development.

5 Selective subsidies on shipbuilding

6 Export credits (loans) offered by the British government to potential buyers, in the same way that some arms exports are financed at the moment.

7 Support for potential shipowners in arranging finance to have their ships built in Britain.

These would go some way to placing shipbuilders in this country in a posi-

tion to compete with shipbuilders abroad. They are the type of thing CND is arguing for in the campaign for the 'Peace Dividend'. They require, however, a radically different attitude from government from the one we have been faced with for the past ten years.

## Shipbuilding orders June 1991

Country - Gross Tonnage(m)	
Japan	15.16
South Korea	6.96
Denmark	1.93
Germany	1.84
Italy	1.52
Taiwan	1.38
Yugoslavia	1.29
Brazil	1.21
China	1.01
Romania	1.00
Spain	0.99
Poland	0.98
France	0.78
UK	0.55
Finland	0.34
Turkey	0.30
USSR	0.30

## NEW FUNDING FOR TRADE UNION CND AND OUR AFFILIATION DRIVE

It is no secret that CND has been through a very difficult financial period in recent months. One of the consequences has been that the arrangements for funding Trade Union CND have been changed.

Up until now money from trade unions was paid to CND, and a grant was allocated from the general funds to cover Trade Union CND's running costs, including the salary for a worker. The strain on CND's finances is such that they felt it necessary to reduce the worker to half time and reduce the money allocated in grant for the running costs. Unfortunately the situation continued to deteriorate further and one option which was considered was to reduce the funding further and make the worker redundant - in effect closing TUCND down. What was eventually decided was that money paid to CND as affiliation fees from unions paid to CND should be allocated to TUCND, together with donations from unions.

A special appeal was made a little while ago which resulted in a large number of donations to TUCND, particularly from branches of USDAW and from MSF. This, together with money from affiliations and a small

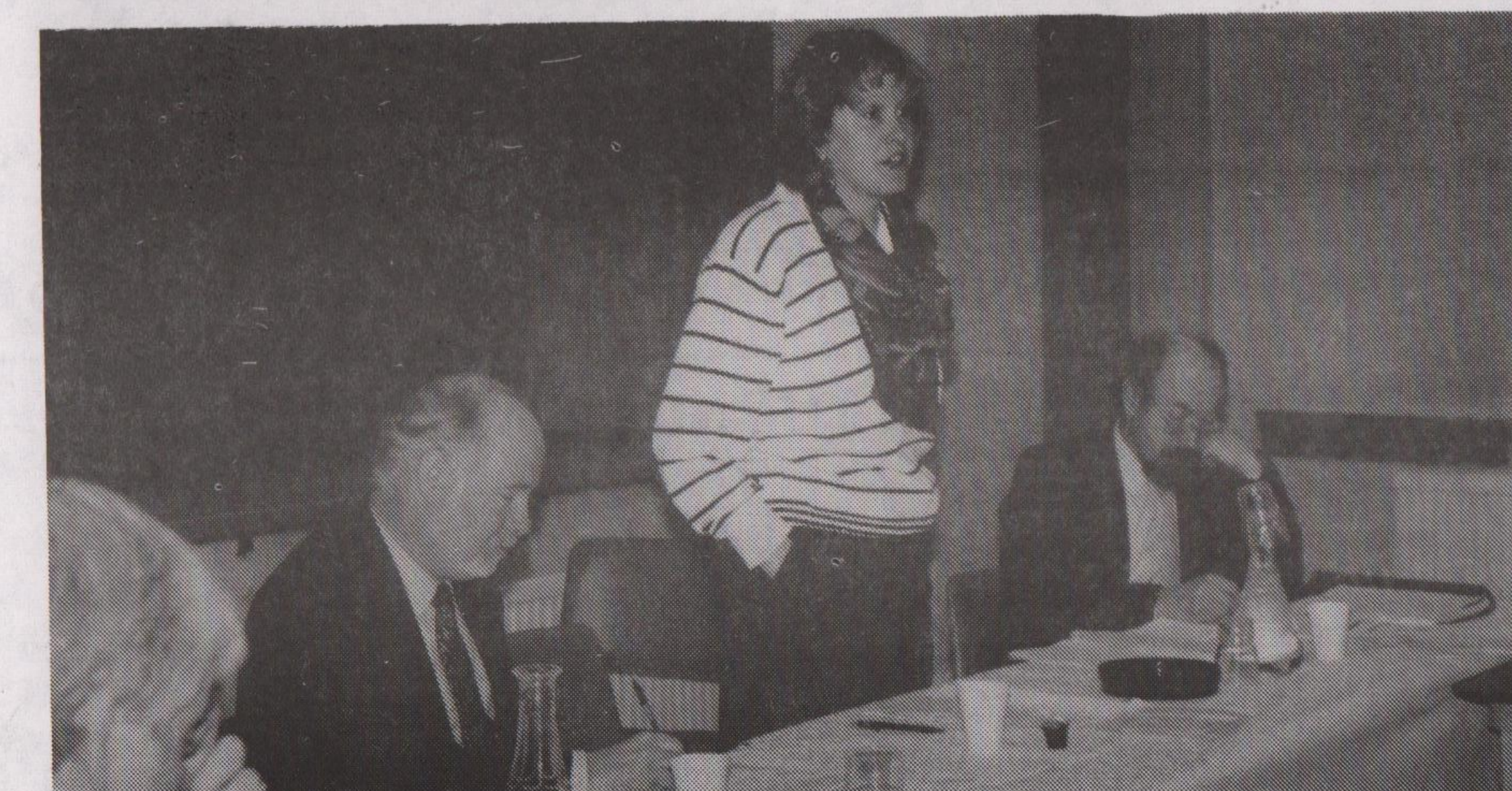
amount that was in reserve, means that we have sufficient to be able to fund TUCND's activity for the coming year. We have also been allocated some money as a grant from CND.

This means that TUCND continues to function and there is no change in the constitutional relationship between it and CND.

What TUCND are aiming for is an increase in the number of branches affiliated to CND so that the income from the affiliation fees overall will be sufficient to keep our organisation running. A number of trade unions have agreed to write to their branches urging them to consider affiliating to

CND. TUCND are also writing directly to a number of other trade union bodies, such as Trades Councils urging them to consider affiliating to CND.

Clearly, the outcome of the election will make a substantial difference to political life in Britain over the next five years. At the time of writing that has not been decided but either way TUCND will have a great deal of work to do in campaigning for the peace dividend and for Arms Conversion. With help from the trade union movement of the order of that already received we will be able to continue carrying out this campaign work.



Margery Thompson, chair of CND, speaking at TUCND's AGM last year