

for financial discipline in public expenditure if, every time there was an undershoot [sic], we rushed out to spend it. . . . I hope that no one is in any doubt about our commitment to continuing this process. We have got the economy on the right track, and we are not going to relax on public spending now.”

He had earlier met with Chancellor of the Exchequer Nigel Lawson to reach this decision.

Many British commentators have pointed out that Major’s position is ideologically motivated, since the increased revenues from tax cuts, could be used, in part, to increase NHS spending. Fiscal conservatism is indeed a cult with no rational content.

Because of the “no spending increase for health” attitude, the potential has arisen for a backlash against the Thatcher government. While the NHS admittedly has incorporated considerable bureaucratic waste and inefficiency under years of stewardship by the Fabian-socialist welfare-state regimes of the Labour Party, the NHS’s creation 40 years ago provided an implicit guarantee of health care for the entire population. The government’s callousness could cause an unusually profound reaction in Britain’s usually passive population.

Not a sausage machine

Leading the campaign against the prevailing health policy, have been three among the most prominent figures in British medicine, Sir Raymond Hoffenberg, president of the Royal College of Physicians, George Pinker, president of the Royal College of Obstetricians, and Ian Todd, president of the Royal College of Surgeons. Since late 1987, they have taken an unusually strong public stance against the fiscal-austerity mentality toward health care.

After Major’s Jan. 20 statement, Sir Raymond denounced the government’s policy as “Elastoplast”—sticking individual plasters over sores as they erupted on the body of the NHS, until the whole body was a mass of sores and plasters. He charged that this was no way to run the system, as it demoralized all those working within it.

Pinker, referring to an earlier government announcement of a small increase in the NHS budget, compared this to “taking a dead man from the ground and telling him he would be going under again on March 31.”

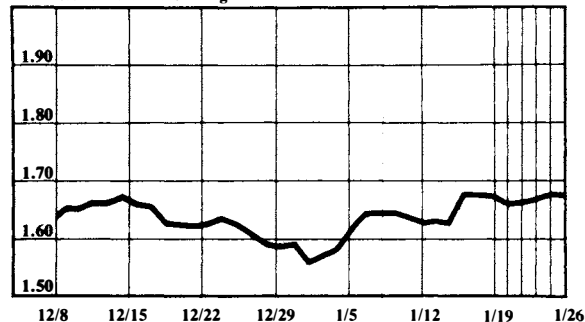
Todd, meanwhile, invited members of Parliament and government ministers to examine the state of hospitals themselves, instead of churning out statistics. Stressing that running hospitals was not like running sausage machines, Todd stated: “It would be a very good thing if some of you went to hospitals to see what the problems are, because I don’t believe some of you have any idea.”

The three medical presidents expressed their bitterness, that Moore had effectively reneged on agreements, reached earlier in private discussions, for adequate funding and review of the NHS situation. Sir Raymond called the most recent statements of Moore, Major et al., “disconcerting news that causes us considerable dismay.”

Currency Rates

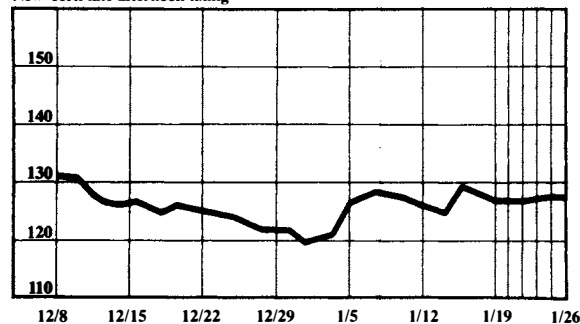
The dollar in deutschemarks

New York late afternoon fixing



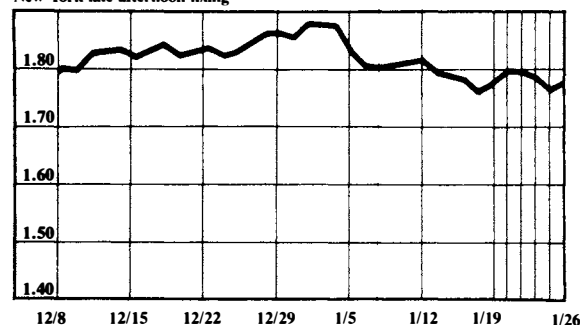
The dollar in yen

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

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