



# WORLD NEWS

## WHERE WILL THE AXE FALL?

Talks began in Washington last Monday, January 1, over possible changes in Britain's orders for American military aircraft. Meeting representatives of the US Government is a joint team of officials from the MoD and Mintech. Whitehall spokesmen have not revealed the composition of the team.

The talks are but one outcome of the Cabinet's urgent drive drastically to slash Government expenditure, in the wake of the financial crisis that led to devaluation. At the time of writing it is possible only to speculate on the measures likely to be announced within the next few weeks. Defence is thought certain to bear the brunt—about £300 million—of the economies.

It is generally agreed that Britain's withdrawal from the Far East will be accelerated, from the 1975 envisaged in last July's Supplementary White Paper, to 1970-71 or even earlier. This decision is likely to be accompanied by a decision to run-down the Royal Navy's carrier force earlier than planned; HMS *Victorious* was axed last month and it is now extremely unlikely that the £30 million modernisation planned for HMS *Ark Royal* will take place. In the sense that finally abandoning pretensions to military power in the Far East will bring the Government's position into line with the realities it is prepared to pay for, the decision would represent a victory for common sense; July's White Paper never appeared realistic. Thus, two years after, Mr Christopher Mayhew, former Navy Minister who resigned over the Government's Far East Policy, is to be vindicated. His thesis was that the Government should either have to have realistic forces to meet commitments, or abandon the commitments altogether. For two years it has resisted both courses.

It is evident that a fierce tussle is being waged in the Cabinet over the RAF order for 50 F-111s. Championing retention of this order are the Foreign Secretary, Mr Brown, and the Defence Minister, Mr Healey. Major opponents are believed to be the Prime Minister; Mr Jenkins, the Chancellor (a keen F-111 proponent when he was Minister of Aviation), and Mr Callaghan, Chancellor until last month, and now Home Secretary.

Cancellation or reduction of the F-111 order presents many difficulties, not least of them the prospect of swingeing cancellation changes and the cancellation of offset contracts for British defence equipment already agreed with the US Government. Suggestions that the order might be reduced to 30 aircraft have been canvassed but bear little credence;

a force of substantially less than 50 would not be viable (the air marshals considered that 110 was the minimum effective force).

Another difficulty attaching to the F-111 order is the fact that senior Service resignations—particularly those of the Chief of the Defence Staff, Marshal of the RAF Sir Charles Elworthy, and the CAS, Air Chief Marshal Sir John Grandy—could confidently be expected to follow cancellation. Mr Healey's own colours, too, are very firmly nailed to the F-111 mast and the Minister would have no choice but to resign after his unyielding advocacy of the F-111 in the past three years.

More easily cut than the F-111 order is Britain's purchase of 160 McDonnell F-4 Phantoms, which is not tied to any reciprocal offset purchases. Of this order (already cut from 290) the RN component of 60 F-4Ks is most vulnerable, particularly if the carriers are to be with-

drawn more rapidly than previously planned. With a swifter run-down in the Far East, the RAF's purchase of 66 C-130 Hercules will probably prove to be far larger than will now be required; but it can scarcely be reduced, for deliveries are now nearing their end.

Withdrawals from overseas, and the abandonment of commitments, do not represent substantial savings in Government expenditure unless they are accompanied by big demobilisations—for "personnel" expenditure comprises well over half the annual defence bill. Soldiers at home must still be housed, clothed, fed and paid. Among all the background noises from Whitehall, however, there is no suggestion that the Defence Ministry's massive "tail" might be cut. Coincidentally, a study published earlier this week (*Urban Studies*—Vol 4, Part 3) shows that only the GPO, among Government departments, is a bigger employer. Manning the MoD and its offshoots are no fewer than 280,000 civilians, over one quarter of Britain's vast bureaucratic army of 1,060,000 civil servants.

### Jetstreams for USAF

Handley Page has announced an order from the US Department of Defence for 11 Jetstream Mk 3M utility transports, worth £2,400,000, for the United States Air Force. The order includes options for buying further Jetstreams, whose value may total as much as £18 million, over the next few years (*Details: Defence, page 34*).

### US Aircraft Costs

Estimated costs of the three types of US military aircraft being bought by Britain were given by the Minister of

Defence for Equipment, Mr Roy Mason, in a written Parliamentary answer on December 21.

Quoting "estimated costs including spares and running costs over a ten-year period," he said that the Phantom would cost £755 million, the F-111 £425 million and the Hercules £185 million.

### Concorde Costs

Latest estimate, agreed with the French Government, of the cost of Concorde is £250 million (at January 1966 prices) in respect of work by British contractors, plus about £30 million for supporting

**Trent exposed** As recorded in "Flight" last week, the first of Rolls-Royce's new generation of high-by-pass three-spool turbofan engines, the RB.203 Trent, first ran in December. Latest technical details appear on page 26, in the survey of engines in this issue, and on page 7 is an FH-228 installation picture. This is a new cutaway impression of the engine

