

COLUMN EIGHT

Campaign puts faith in the City

Despite the cancellation of their invitation to Number 10 earlier this week by an embarrassed Policy Unit, the Campaign For Work are meeting a surprisingly genial welcome in the City.

Of the half-dozen City economists they have approached about the concept of national coordinated wage bargaining — a notion antithetical to most *laissez-faire* thinking — four have agreed at least to meet Molly Meacher's group, although all work for foreign-owned firms.

Least surprising among their number is Neil MacKinnon of Yamaichi, one of Labour's few friends in the City. They also have a seemingly sympathetic ear in Gerard Lyons at DKB International, a UK unit of the giant Dai-ichi Kangyo Bank. Gavyn Davies of Goldman Sachs and Gerald Holtham of Lehman Brothers have also agreed to hear them out.

Other City economists have not responded, a spokesman for the Campaign says, "but there is some feeling in the City that something has to be done on the wage front".

The massive losses by merchant bank Kleinwort Benson reminds me of their half-year results announcement. In it David Peak, Kleinwort's chairman, said: "The environment in which we work ... makes the future difficult to predict."

As Kleinwort made a loss of nearly £100m in the second half, that seems an understatement.

Callers desperately seeking commentary on the collapse of the International Leisure Group are encouraged to contact something called the Tour Operators Study Group. Inquiries to the unpronounceable TOSG are forwarded to Catherine Leach at Fleet Public Relations, where a recorded message directs urgent ILG calls to a special phone line ... manned by yet another answering machine, which advises the irrepressibly curious that Ms Leach can be reached at the original number.

It seems that Big Lamp, the Newcastle-upon-Tyne brewery, will not be able to summon Old Genie, its keenly anticipated 8 per cent alcohol beer, in time for the annual festival of the Campaign for Real Ale in Camden, showcase this year to 62 new brands. After all, Old Genie is only meant to be an "occasional" beer. The rub is, Big Lamp also offers a brew it rates at 11 per cent alcohol — called, not surprisingly, Blackout.

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