

An expert on the British steel industry talks about how the industry has changed over the years.

Optional activity:

Choose the best ending for each of these sentences.

1. Alistair McGovern...

A has worked for British Steel for twenty years.

B worked for British Steel for twenty years.

C has been working for British Steel for twenty years.

D has changed over twenty years.

2. According to McGovern, nationalisation...

A enabled small companies to compete.

B was a typical process.

C made acquisition of raw materials easier.

D raised administrative costs.

3. British Steel...

A was a problem for the British economy in the 1970s.

B had too many people working for it.

C was an important part of the British economy in the 1970s.

D was an international company.

4. The British mining industry...

A was responsible for industrial problems.

B was similar to the British steel industry.

C ended in the 1970s.

D didn't change in the 1970s.

5. Thatcher...

A closed British Steel.

B was a positive thing for the steel industry.

C was a negative thing for the steel industry.

D fundamentally changed nationalised industries.

6. According to McGovern, Britain...

A is a multinational country.

B is the world's fifth largest steel producer.

C is part of a globalised world.

D produces a lot of steel.

7. According to McGovern...

A the story of British Steel is representative of changing patterns of industry.

B thinks the changes in the industry have been negative.

C British Steel is now part of a large company.

D there have been too many changes in the industry.

A = Interviewer B = Alistair McGovern

A: The steel industry is one – like many other major materials manufacturing industries – undergoing rapid change. We look at how one British company has weathered these changes. Talking to me is Alistair McGovern, who worked for British Steel in the 1970's and 80s.

Alistair, you've seen quite a few changes over the past few decades.

B: Indeed I have.

A: When did you start working for British Steel?

B: Well, I began in the early 70s. At that time the company was a fairly typical major nationalised state industry. British Steel was formed in the 1960s from a number of smaller private companies. It was felt at the time that the only way we could compete was to unite our strengths, centralise processes such as acquisition of raw materials and distribution, and cut down on administrative costs.

A: And did it work?

B: Well, yes, for a long time it did. British Steel was a key feature of the British industrial sector in the 70s. We were very big in terms of numbers, and also in terms of the international market share we had.

A: So what went wrong?

B: Well...that's a question that deserves a long answer! We could just as well talk about what went right! As I said, we were a successful company for a long time. But, basically, the whole political and manufacturing world was changing - the steel industry, much like the British mining industry, became a focus point for the many conflicts of ideas which happened during the 1970s – the power of trade unions above all.

A: And then Mrs. Thatcher arrived...

B: Exactly – Thatcher became British prime minister in 1979, and had some radical ideas for large nationalised industries. To cut a long story short, British Steel's days were numbered, and in 1988 we were privatised.

A: And, according to you, was this a positive or a negative thing?

B: A bit of both, really. Privatisation enabled us to cut down on a lot of wasteful bureaucracy, but it did weaken the industry in Britain – perhaps fatally – as well as causing a lot of harmful unemployment.

A: And what's happened since then?

B: Well, the privatised British Steel struggled on for ten years, until we merged with a Dutch company in 1999 to form Corus. Eight years later, in 2007, Corus was taken over by Tata – the massive Indian company.

A: And, to ask the same question again!, has this been a positive or a negative thing, in your opinion?

B: Well, to repeat the answer! – A bit of both. Britain is no longer a major producer, but just one part of a multinational, globalised process. The company is now the world's fifth largest steel producer, producing a massive 24 million tonnes of steel each year.

A: To finish up, then, would you say that the movement from a big nationalised industry, to a private European company, to being once again part of a mega-company – this time an Indian one - is a paradigm for changing patterns of global commerce and industry?

B: Yes, I would.

A: Alistair McGovern, thank you.

B: Thank you.

Answer key: 1B; 2A; 3C; 4B; 5D; 6C; 7A.