

British Steel: The Western Flounders with Issues that Islam Answered Fourteen Hundred Years Ago

News:

British Steel, operating the UK's last two blast furnaces in Scunthorpe, faced potential closure when its Chinese owner, Jingye Group, declined a £500 million government offer to continue operations. This move threatened the end of primary steel production in the UK and jeopardized approximately 2,700 jobs. The UK government responded by enacting the Steel Industry (Special Measures) Act 2025 on the 12th of April, granting emergency powers to maintain operations and prevent the furnaces from becoming permanently unusable.

Comment:

The situation with British Steel had escalated when Jingye Group attempted to sell a shipment of essential coking coal, prompting the UK government to intervene and secure the coal, ensuring continued production. This intervention highlighted the vulnerabilities of relying on foreign ownership for critical infrastructure and the UK government said it acted to safeguard national interests. However, deeper questions about the cause of this crisis should be asked. Islam defined public property: **« المسلمون »** « **The Muslims are partners in three, water, pastures and fire**». (Sunan Abu Dawud), and yet the capitalist West struggles with the concept where public resources are routinely monopolized or surrendered to an oligarchy of private operators who control water, energy and public services delivered to people for high prices with minimum investment. The Chinese ownership of British Steel added the additional factor that privately-owned infrastructure of national importance could even result in hostile states adding malice to greed. The UK response was for the government to 'take control' which is a compromise falling short of nationalization as Jingye Group are still the legal owners of British Steel. The UK has struggled for decades to deal with such vital industries in the absence of an agreed definition of 'public property' and the issue fell between the socialist politicians whose more radical elements deny 'private property and Conservative governments who see everything as private property until a compromise was found.

Between 1945 and 1951, the post-war Labour government under Prime Minister Clement Attlee embarked on a sweeping programme of nationalisation to secure public control over what were seen as vital industries. Under the Coal Industry Nationalisation Act 1946, nearly a thousand private coal mines were brought under the National Coal Board; the Transport Act 1947 unified the "Big Four" railways, London Transport and numerous bus companies into the British Transport Commission; the Iron and Steel Act 1949 created the Iron and Steel Corporation to acquire major steel producers; the Gas Act 1948 amalgamated over a thousand gas undertakings into regional Gas Boards; the Electricity Act 1947 established a single national electricity authority; and the Bank of England Act 1946 placed the UK's

central bank under public ownership. These measures reflected the belief that key sectors—from energy to finance—should be run in the public interest rather than for private profit.

In contrast, the Conservative administrations of Margaret Thatcher and John Major (1979–1997) systematically reversed much of this state-led framework through privatisation and market liberalisation. Early share flotations of BP and British Aerospace presaged the blockbuster sales of British Telecom under the Telecommunications Act 1984, British Gas via the Gas Act 1986, and the break-up and sale of electricity and water utilities under the Electricity Act 1989 and Water Act 1989 respectively. Even British Steel was corporatised and sold off under the British Steel Act 1988, while remaining coal operations passed to private hands through the Coal Industry Act 1994 and rail services were franchised under the Railways Act 1993. It was claimed that privatization would spur efficiency, foster competition and reduce the burden on taxpayers.

With time, both left and right converged on the patchwork idea that government's role was just to leave the markets alone to control these vital public resources and services and to set up frameworks to set pricing guidelines and service criteria. However, now there is growing discourse accelerated by the Trump regime that finally admits that the global free market should not be left to control the economy. Prior to the British Steel crisis, the UK moved to restrict Chinese domination of its 5G network and Trump has completely demolished the globalization dogma by draconian tariffs aimed at building up the US industrial base that has been in decline as the US debt has risen over the decades.

The Western world flounders with its limited ideological understanding of the public domain and its ideological insistence on free enterprise leading to crises that must be patched-up artificially with tariffs and emergency legislation on a case-by-case basis.

Written for the Central Media Office of Hizb ut Tahrir by

Dr. Abdullah Robin