

Papers of Hugh Dalton:
Original Manuscript Diary

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DIARY1 to 2. 1. 44.

In London.

On the Sunday afternoon visit Dick Crossman in the Nursing Home at 18, Bentinck Street. He has nearly died of thrombo-phlebitis and has had to lie quite motionless for weeks. He is still not allowed to use his left hand. But what a dynamic, even if, as I have said before, not very lovable character! I stayed for two hours, during nearly the whole of which he harangued me with great vigour both of voice and mind. He had a wonderful time in Africa. He says it is so wonderful to be out of reach of control and interference by various offices in London and to be in direct touch with soldiers, who see much more clearly than civilians the importance of political warfare, just because it will save casualties and hasten victory. He is very pro-Ike, and says that he has done a simply grand job as the leader of the Anglo-American team. He always gives the benefit of the doubt to an Englishman and, at the higher levels, there is just no duality at all. Crossman's own American associates were also first-class. He had a great thrill in actually negotiating the timing of the Italian Armistice and the publicity connected with it. He flew across from N. Africa to Sicily with Jackson, his American opposite number, and, on arrival at the rendez-vous with the Italians, they found a number of Italian Generals but no British or American. The latter, it seems, had just flown off somewhere else, and Crossman and Jackson with one comparatively junior British officer had instructions to get on with the job. It was rather complicated trying to make sure that nothing came out too soon to compromise operations, or too late to have the hoped-for propaganda effects. Crossman quite agrees that the Italians, including their Generals, are the best diplomats alive. With such small means they achieve remarkably good results. One Italian, whose eyes were like deep brown pools of understanding, said "We are not really interested in unconditional surrender; what we want is to become one of the United Nations. We will give you all the help we can against the Germans". Harold Macmillan, Crossman thought, was going very well. He is also a very good diplomatist. At their first meeting, he said "We are like the Greeks in the later Roman Empire. They ran it, because they were so much cleverer than the Romans, but they never told the Romans thks. That must be our relation to the Americans." Montgomery was, for many reasons, most unpopular at the W.O. He had sent back to London under arrest one of his Major Generals of the Eighth Army who had ventured to argue with him. This had caused great trouble at the W.O., because they had had to

find three Lieutenant Generals to sit as a Court Martial on this man. (Sir B. Brooke next week in Northern Ireland told me this story. When his uncle, Sir A. Brooke the C.I.G.S., was asked by the King what sort of a man Montgomery was, the C.I.G.S. said "He is a very good soldier, but I think he is after my job." The King said "What a relief! I thought he was after mine!" In N. Ireland the Montgomeries are a cult. The old mother is always turning up and telling people who she is, and a younger brother of the General said "I hardly know him. I have only seen him twice since he was seven. But he sounds a clever bloke. If ever I want a room in a hotel, I find it very convenient to be able to say that I am his brother.")

Crossman also related, to my horror, that he had heard our General Alexander make an after-dinner speech to an Anglo-American party in which he said "There are only two first-class races in the world, we, the Anglo-Saxons" - and here he fixed his eye upon a rather Latin-American looking U.S. General - "and the Germans. It is one of the tragedies of history that twice in our lifetime we should be fighting each other instead of fighting on the same side. If we were allies, we could beat the whole world." (Some may think this story incredible, but I recall the case of Wully Robertson in the last war, who went round with L.G. as his C.I.G.S. to many inter-allied conferences and always showed the utmost hostility to all our allies, particularly to those who, like the French and the Italians, didn't speak English. When any one of these was speaking, Wully assumed an air of deep suspicion and hardly veiled hostility and used to whisper in a loud voice to his next door neighbour "What is the fellow saying?" And once, at the end of one of these seances, he said "If only we and the Boche were allies, how easily we could beat all this crowd!") Crossman explained that, between the German Panzer Divisions and the Eighth Army in Africa there had grown up a great mutual respect for each other's efficiency, combined with great contempt on both sides for Italians and French. He told me of a German officer, a prisoner of war, with whom he himself had spoken and who had said "Our war" in the desert had been "a gentlemanly war", fought with great skill and courage by good sportsmen on both sides, and that lives had only been sacrificed, on both sides, for good military reasons. This German officer, before being captured, had been fighting on the Russian front. "That", he said, "is quite a different war. That is not a civilised war. It is a barbaric war. The Russians drive us back, not through their military skill, nor their soldierly qualities, but only by their mass of numbers. They send in great masses of infantry, sometimes of cavalry, and we

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shoot them down, and still they send more and more, and in the end they get there. Their gunners put down a terrific barrage, not scientifically on a selected target, but anyhow, all over the place, and then they shift their barrage about until it falls on us and not on their own men, and they have so many guns and so much ammunition that, in the end, they shell us out. But that is only barbarism and mass murder."

3. 1. 44.

U Furniture. This is the most important of a series of office conferences to-day. Production is creeping up much too slowly and demand is still too high, even after all our cuts. But I am glad to find less disinclination now, especially in Lebus, to make full use of home-grown timber. They seem at last to be more effectively in touch with Timber Control and the Director of Woodworking. Lebus is even prepared to consider using soft wood for bedroom furniture.

Take Wells, Mike W.T.'s friend, to dine at the Acropolis. I had not been there for some time, so we are invited to drink brandy with the Patron. I find that Wells is a barrister, and was beginning to do reasonably well before the war, has only one sound eye - and this is why he is not playing a more active part in the war - has a Roman Catholic wife and two children, and was educated at Lancing and Balliol. I said I thought Lancing was an R.C. school, but he said no, it was High Anglican. I confirm my view that he is both intelligent and pleasant. Conceivably, if he gets on at the Bar, he might develop into that hitherto unknown animal, a distinguished Socialist lawyer who is not a bloody fool.

DIARY4 to 6. 1. 44. (Tuesday to Thursday)

With G.P. to Northern Ireland. Quite an interesting trip, the best part of which was the flight there and back. We took $2\frac{1}{2}$ hours with a head wind going out; only $1\frac{3}{4}$ hours with a following wind coming back. From Hendon we traverse the Midlands and cross the coast at Rhyl, having left, first, the Shropshire hills and then the Welsh "Mountains" away on the left - or, as they say, "on the port side". The sea was very calm. We crossed over the southern tip of the Isle of Man, which looked most uninteresting, and then, crossing the Ards Peninsula, flew up Strangford Lough and, leaving Belfast smoking away a little to our right, came down at Langford Lodge on Lough Neagh. Here, on this inland lough, is a great centre of American activity in the equipment and repair of aircraft. 2,500 Irish ~~Southern~~ civilian labour and 3,000 Americans seem to be getting on all right together and doing a very good job. In the last stages of our flight across the water there was an amazing cloud effect, so that we seemed, looking back, with the sun getting low, to be flying over a great desert of golden sand, on which seemed to be pitched a multitude of little white tents. These last were baby clouds sitting by the hundred on the top of the smooth-looking cloud surface below. When I thanked the pilot, on arrival, for a very pleasant flight, he said "I hope it didn't disturb you when we ran out of petrol for a few minutes." I said "Not at all. I hardly noticed it." In fact, it had been a slightly disconcerting moment, since we suddenly became aware, over the land somewhere near Birmingham, of ~~suddenly~~ losing height rather rapidly and of the engines running down, and then, for a moment, the plane seemed to be turning over sideways on her left wing. But it would have been bad form, both G.P. and I independently felt, to have made any comment or asked any question. The three young men in front all went into a huddle and put their heads together and one began to work the petrol pump vigorously with his left hand. Various red warning lights had also shown themselves among the complications round the controls, and then we went on again quite normally.

The return journey - there had been a horrid rumour that the weather might not be good enough for us to fly so that we might have had to go by train and boat, and train again, taking 24 hours instead of 2 - was also very good. We flew much of the way right above the clouds, which quite hid first sea and then land. They

gold - dusk

took on all sorts of dramatic shapes and, up there, above what the books so picturesquely call "the lower turbulence", we ran as smoothly, in sunshine - it is always sunshine and fine weather if you go high enough up to meet it - as though we were on wheels. Then, to make sure we were on the right course, we came down through the clouds, bumping a very little, and flew the rest of the course quite low.

When Ministers and other such travel by air, they are described in the official jargon as V.I.P., which means "Very important person", and constant reports on the state of affairs are expected to be made by wireless from the plane to the most convenient ground station.

In between these flights we saw something of Ulster. I was put up by Basil Brook, the "Prime Minister" of this petty provincial Government, in a small official residence just opposite to the vast Parliament House. Not a bad chap, an ex-regular soldier, with more idea of how to organise and get things done than most of the Northern Irish notabilities. He is, in fact, quite good at pressing the claims, and contributions to the war effort, of the Six Counties. The first night there was a dinner party, the real purpose of which was to get me in a corner, surrounded by the linen manufacturers, who were to explain to me how important their industry was, both now and post-war. These included an old frog called McCreedy, a very hard-boiled and self-opinionated capitalist employer, Mulholland, brother-in-law of Sir B. Brook, also Speaker of the Ulster House of Commons, a more agreeable and better educated man, with film star features, and Dermot Campbell, recently elected M.P. at Westminster. The real trouble these people are going to have is to get their raw material. There will be no difficulty in selling their products, particularly abroad.

For the next day and a half I have a series of interviews with representatives of various industries - linen, clothing, etc. - and visit a large number of factories of interest to the Board of Trade - one linen, two clothing, prams, nursery furniture, etc. At the first clothing factory I stand upon a table and make a speech to several hundred girls. A very jolly and enthusiastic scene, including singing, in which they all join, of "There'll always be an England.....There'll always be a Britain.....Red, White and Blue, what does it mean to you?....." The factory is stiff with Union Jacks of every size, including a lot of small ones strung along above the sewing machines. This is "loyal" Ulster, and I don't doubt that it is all most sincere, even, as by tradition, most fanatical. I was to have gone to a factory in Falls Road, but this

was changed at the last minute. They feared some clash of Orange and Green. As one of the officials said to me, "If they had shot you, it would have helped to advertise the I.R.A." At several of the conferences and visitations, local Trade Union leaders are present. I had particularly asked that this should be so, and one of them, an intelligent young man named Thompson, one of Charlie Dukes' organisers, led me aside and said that this was the first time that Trade Union representatives had ever been asked to any official functions of this sort. I told him why. I did not, like Herbert Morrison, indulge in public comparisons between the war effort of Ulster and Eire. But there is no doubt that these people are really doing a great deal. Apart from what I saw, there is a vast amount of ship building and repair of all kinds - I motor quickly through the ship building yards, but have no time to stop - and there is a good deal of arms production also going on. They have no conscription, nor even "direction" of labour, and therefore they still have some unemployment. They were very anxious to be regarded as one of my "Development Areas" both now and after the war, and Brook spoke very sensibly about the need to "broaden the basis" of the Northern Ireland economy, so as to give them something in addition to ship building, linen and agriculture. I said I hoped that some of their wartime industries would stay, e.g., their pram factory, where now they will turn out enough Ulster prams for Ulster babies. There is everything to be said, both in war and peace, for decentralising this kind of industry and for zoning it, to save unnecessary transport.

I lunched one day in a clothing factory canteen and the next day at an official lunch, seated between the Prime Minister and the Lord Mayor. I made, for the press, quite a discreet speech, being careful, however, having said nice things about the American General and Commodore who were present, and also our own A.O.C., to go on to welcome "the representatives of the great Trade Unions who are here to-day". I then said I would tell the party a secret. I was a member of the Labour Party and had always attached the greatest importance to representatives of the organised workers being most closely associated with all our national and local activities. Without the organised workers, we could have developed no war effort at all. These remarks were well received.

The evening before I dined at the Reform Club and talked, off the record, to some 200 Belfast business men. I ran a few risks, but nothing came out, and I think they liked it.

DIARY7. 1. 44.

In L.P.Cttee. for an hour, during the last three minutes of which I said 12 words, agreeing with a paper by Stanley that control of cotton export prices to the Crown Colonies was neither practicable nor necessary. Not an economical, or even amusing, use of time! A concourse of 20 Ministers, who should have been doing useful work in their Departments, sitting round the table and palavering disjointedly, with poor little C.R.A. hardly visible or audible in the Chair.

A party of my officials persuaded me to put in a paper to L.P.Cttee. next week proposing to abolish, as from an early date, the principal Austerity restrictions on men's suits. What has brought this to a point is the quite correct decision to make non-austerity suits for demobilised soldiers and, as this work will start soon, we must come into line. But we shall make a marked difference in pointing between austerity and non-austerity, so as to help clear the former.

With J.W. to Golder's Green for George Ridley's funeral. It was, no doubt, as his widow said afterwards, just as he would have liked, with no Christianity and three quite good addresses - by Sorensen, who also read passages from William Morris, Fred Watkins and C.R.A. The Red Flag was played on the organ, but there was no other music.

I still think that *Sh*
For my part, if you are going to have a gathering at all, it should all be a bit more dashing and dramatic - even if only, as Ponsonby once said he would like, to have one of the House of Commons policemen to stand beside the grave, or before the door through which the remains go to be burnt, and cry, in a loud clear voice, as late at night when "the House gets up", "Who goes home?" This is a good Parliamentarian's alternative to the bugler playing the Last Post, *Trump 1 like last too.*

Dine with J.W., who is much shocked at the offer of office to Shinwell. Had this come off, he says, it would have had the most disintegrating effects in the Labour Party, and he wonders whether this was perhaps part of the intention. Everyone would have said that the path to office was through disloyalty, and many immitators would have been encouraged. Decent loyal people, on the other hand, would have been greatly discouraged and there would

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have been a serious row among the miners who, particularly in Durham, hated Shinwell. J.W. also thinks that the incident reflects little credit on C.R.A., who must either have freely agreed to the idea or been over-ruled and bullied into accepting. J.W. has lately read again the terms of the P.M.'s Four Year Plan Broadcast and noted the suggested possibility of a Government of men from all Parties "who would be willing to serve". J.W. says, "mentioning a few names at random", how would it seem if, at a given moment, say, E.B., A.V.A. and Shinwell were to be "willing". All this is speculation, and it is easy to make too much of it. Between Now and Then lies a steep bloody mountain to be climbed. But maybe some are thinking more than I am of how to get down the further side most comfortably.

DIARY8 & 9. 1. 44.

Stay in London, mostly sleeping.

10. 1. 44

Export White Paper. Discuss the impasse in Washington with A.O., P.L. and Sterling. The State Department say they are trying to get something better from F.E.A. and are apologetic for delay. Meanwhile, Magowan is sick, and under observation at Johns Hopkins for a fortnight. Llewelin had told me that he thought M. had been rather a failure, and was thought by the Americans to be "too pernickety". Anyhow, the whole thing is stuck. But the Embassy at Washington is sitting on our telegram proposing a shake up and, while nothing is really moving in the right direction, the Americans are moving in the direction of the Presidential election, which means that more and more politics will dominate the scene and the U.S.G. turn more and more defensive.

Dine alone with Ellen at Dolphin Square. She lives in a top flat on the 12th floor and, the lift being automatic and probably unreliable, as I had heard, I walk up, which she thinks rather a feat. The only other person, she said, who had walked up 12 flights to see her was Harry Pollitt. I said this would make a good press par. She is very anxious not to lose her full Chairman's year after next Conference, and hears that there are some intrigues afoot to put her in only for the four remaining months this year. I say this would be wrong. We discuss the prospects of the next Annual Conference and I remind her that it will take place when the fighting may be at its bloodiest height, and this, I am sure, will influence, for the Executive favourably, the atmosphere.

11. 1. 44.

See Group Captain Heald, K.C., who promises to send me a note on Patents. He thinks the legal costs are now quite excessive and that probably there should be a separate tribunal, without appeal, for patent cases. But most lawyers will object. Very intelligent, I thought, and will deal also with other matters in his paper for me.

/Receive

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Receive Streat, for the first time since I have had his Report on Post-War Cotton. I greet him - and he seems so delighted with this description that he repeated it later to Platt and others - as my "wily industrial diplomatic representative with the cotton industry". I have not really read his Report as yet, but apprehend that it contains no proposals so revolutionary that I need make trouble about its publication. He says that Platt doesn't understand politics and would set everybody - including every Lancashire M.P. - by the ears if his plans were adopted.

Dine, rather weary and with a cold, in a private room at the Reform Club with Piercy, J.W., E.D., H.G., D.J. and Berry, where we discuss a draft for the Labour Party's Financial Committee on Post-War Employment. Quite a good meal, with plenty of drink, which causes me rapidly to revive. A good paper and a good evening, but it is left to me, as usual, to knock it about a bit before putting it up to its next hurdle.

12. 1. 44

Lunch with Dunbar - one of my periodical penances - at the Howard Hotel. He hears that Shinwell has been offered and would have been willing to take a post in the Government. Also that Beaverbrook now wants the War Office, and may get it.

Preliminary meeting with O.L. to discuss the proposed communication to P.Reed (of which more later).

Dine with Korda; also N.Davenport, trying to work his way back by showing Korda how he can get Ministers to dinner, J.W. and H.G. Korda is much the most amusing and attractive of the film crowd. A perfect host, very witty, light-handed and wide visioned. I would like him to have a good chance to get on with his Production.

13. 1. 44

First meeting of "Ministerial Committee on Supply Questions in Liberated and Conquered Areas", with O.L. in the Chair. I am amused to find that "the Relief Department", handed over by me to the F.O., has now been handed over by them, minus Leithers and one or two others who have become internationalised, to the Ministry of Production. Not much business to-day, nor, I hope, will this Committee often be called together. Most of the business can be done by officials.

/Visit

Visit Chris Mayhew in the Royal Masonic Hospital at Ravenscourt Park. He has had rather a bad go of pleurisy, partly ~~apparently~~ due, no doubt, to the quick change from the Mediterranean to Britain in winter. He hopes to get out and go home in about a week. This is Tait's hospital, in which R. took a very keen interest some years ago. It is certainly very good looking, both inside and out. C.M. made the very bright remark that, his first day here, looking out of the window, he had a feeling that this was very like West Leaze. And so, in its tendency to long horizontal windows and balconies, it is.

Meeting with O.L., together with J.A. and Law, on the proposal to give Philip Reed a letter to take back to the U.S. about Combined Export Planning. (As will appear, there is much too much to-do over this silly project, which leads to a great waste of my time.)

Dine with Platt, who abuses Streat (who in turn makes insinuations against Platt, both on all possible occasions). Platt says Streat's Report is "no bloody good at all". He thinks I should now set up a small independent committee of enquiry from outside the industry to go to Manchester and spend ten days seeing people and then report to me. He thinks that Keynes and Clay should be on it. He would give them all the help he could. I must say that I think more of Platt than of Streat.

14. 1. 44

Lord President's Cttee. I put in a paper proposing to take the restrictions off men's suits, in view of decision to make non-austerity suits for demobilised soldiers. I put it up to my colleagues, I explain, only because it might be thought that the removal of these restrictions might encourage the view that there is no longer the same need for economy and concentration on the war effort. I propose, further, to down-point austerity and up-point new non-austerity. The silly colleagues all squeak with delight at the proposed "de-restriction", and none take the point of a possible blow to morale. On the contrary, they all begin to clamour against any up-pointing of the new non-austerity - hoping, no doubt, each of them, to be able to replenish their wardrobes. This clamour is so loud - and I am so disinclined to let them have any further opportunities of discussing my administrative details - that I merely, for the sake of form, "reserve my position", undertaking that, if I remain convinced that non-austerity should be up-pointed, I will bring this back to the Committee. But, after this, I shan't up-point, and shall give them no more opportunity to discuss it.

This L.P.Cttee. is rapidly losing business to Woolton's Reconstruction Committee, and is becoming a place where odds and ends are considered in an atmosphere of jovial irresponsibility!

To-night to W.L.

15 & 16. 1. 44

At W.L. Thick fog, almost unbroken, and great dankness everywhere, except in the near neighbourhood of my electric fires. Sleep a lot.

17. 1. 44

Back from W.L. See A.O. and Helmore about bringing in Warter and his staff to this building. As usual, there has been delay and obstruction, as always when anyone has to change his room. It is finally agreed - it will be interesting to see whether this agreement is observed - that, in a few weeks' time, when they have finished some Orders on which they are now intent, Monier-Williams and the whole of I.M.(4) shall move across to Neville House (where, incidentally, they will be much better housed than here) and that Warter and most of his lot will come in, he and his immediate staff, however, getting rooms not up in the belfry where M.W. and Co. play at bats now, but near the other post-warriors on the floor below me.

I send for Weir and ask how he came, as Chairman of the Footwear Board, to tell Woolton that we could afford to hand over 300,000 to 400,000 pairs per quarter of good shoes from our civilian output for demobilisation stock piles. He is not very conclusive, and I ask how many pairs of shoes are now being made for the Service and other Government Departments. He admits between two and three million pairs a quarter, as against three and three-quarter million pairs for male civilians, out of which some 10% would be subtracted on his plan. I say that I shall propose to Woolton that the stock pile shall be drawn, at least as to one-half, from the Service output. He pretends that this would not be possible. (But, a few days later, I get Woolton provisionally to agree.)

Ivor Thomas has arranged a party where C.R.A. and I meet Romer and two other minor Poles. To Romer I say "You may remember that last time we met was at lunch with Savery in a restaurant in Warsaw in the Plac Saski, which was very famous for its mushroom dishes. That was in 1926 and Savery had described you to me as the

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most brilliant of the young men at the Polish Foreign Office." Romer, who is still a great charmer, said "I remember very well, though, alas, no longer either brilliant or young." He has been since then in Baghdad, Rome, Tokio and Moscow, and, for a little while, in Cairo. He is, indeed, a very good diplomat and beautifully quick at the uptake. He quite agrees with me that the Polish Government should not issue any further public replies to the Russians. (The Russians are disconcerting us a bit these days. Not only their rather rough and rude reply to the Polish suggestion that "all outstanding questions" are open to discussion and that the Poles would like us and the Americans to help them to handle the affair, but, worse still, the splashing in Pravda two days later of a story through "good Yugoslav and Greek sources in Cairo" (!!) that two leading British personalities have recently met Ribbentrop in Spain to discuss a separate peace, and that the discussions "were not without result". This has made a lot of people go goosey down the back. They ask themselves whether we shall be left in the lurch again, as in 1939, by a German-Russian armistice, as the Russians occupy as far west as they want, just when we have secured, or half secured, a precarious bridgehead in the west. Probably all such thoughts can safely be set aside. The P.M. and A.E. were both convinced that all this was quite out of the question, and that the Russians were most eager both for complete victory, followed by a hard peace with the Germans, and for early ending of the war, so that they could turn back to repair their damage. But, thinking also of all our difficulties with the Americans over Lend-Lease, etc., and the prospects of post-war abusive rivalry, I wonder whether my simple picture of an Anglo-American-Russian combination as the corner stone of post-war peace is not much shakier than one likes to admit.)

18. 1. 44

Parliament, called by some "the monkey house", reassembles. I have a bunch of P.Q.s, which go off quite well. Jests about Hogg's Oxford Laundry. Another lost cause; lost drawers (Sir P. Warter is rather shocked; he thinks M.P.s should treat these grave questions more seriously.) Air-conditioning plant in cotton factories. I am supplying what I can. Rhys Davies asks whether I realise into how sad and low state this great industry fell before the war. I reply "Yes, but this was not, I think, wholly due to lack of air-conditioning plant."

support, L.P. International Sub. Long discussion, and plenty of ~~xxxx~~, for my document on the International Post-War Settlement.

/Only

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Only Clay and Phil show any distaste. (I said to Phil later that I put this all down straight and stark to see how much they could all swallow, and that here and there one or two showed slight signs of vomiting. He said "Yes, I did, now and again.") We get through about the first half without serious mishap. I am to redraft, and generally it will be easiest to leave out a sentence or two. I have plenty of realistic ballast in this draft. I can also add, particularly at the beginning and end, waffling paragraphs to make some feel happy.

Dine with Carr and Kelly (United Artists). Rather a bore.

19. 1. 44

Woolton's Reconstruction Committee. Long discussion on W.S.Morrison's lengthy and legalistic lucubration on Principles of Town and Country Planning. We only "consider" the first three out of about a dozen, and only give a "tentative" and "provisional" approval "in principle" pending the consideration of the whole thing. Why are my colleagues so terrified of ever committing themselves to anything? If only we got a state of mind in which indecision and delay were regarded as the two deadly sins and blackest marks of inefficiency, what a brave new world we should enter!

Lunch with F.B.I. - some twenty Barons of Industry - to meet whom are also invited C.W., A.O., Sir E.Hodgson and P.L. I sit next to Sir George Nelson and tell him, under my breath, that the Asswan contract should now be all right. On my other hand, Sir James Lithgow, silly old buffer, long past his work I should think, and garrulously reactionary. I make a few general remarks which seem to be well received.

To see "San Demetrio". This is the best film which Ealing has yet made, I think. A very moving and dramatic story of the crew of a tanker. This is a show for the Board of Trade, and the small cinema is nearly half full of us.

20. 1. 44

What a day!

With C.R.A. to settle details of an appeal for a testimonial to J.S.M.

/Then

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Then to Woolton to discuss (1) shoes for demobilised soldiers and the reaction of this on civilian demand, and (2) Steering Committee Report on Location, Cartels, etc. I still think he is keen to get "decisions" and I do a deal with him on shoes!

Then to see O.L., at his request. The Philip Reed letter again. He seems to me to be acting very oddly, having lunched with Reed and read over to him the proposed letter, which Reed wished to amend, so that now O.L. has produced another version, with certain other changes, and a new paragraph discussing what may happen in the event of our W.P. negotiations breaking down. He says that Reed is sure they will break down. I say that this is not our information, nor should we take it for granted. I express doubts about this letter but take it away to think about.

Lunch at Drapers Court, and then return to harangue Trevor Evans, by request, for an article in the Express. I boost my doings on behalf of the "small man". T.E. is both a good journalist and a good friend of mine.

Then 1½ hours with excited outfitters, who are much perturbed about the prospective abolition of restrictions on men's suits and think they ought to have had much longer notice. What good this would have done them I don't know, since everything would have got into the press.

D.J. to dine, and, though rather weary, I find, as usual, many of his thoughts and suggestions very stimulating.

21. 1. 44

Receive several dozen wholesale clothing manufacturers. Kaye always keeps his little flock in good order, and, after my introduction and his response, they are put up to speak in due order.

I thank them for their co-operation and explain why we are now going to remove the restrictions from men's suits. They say afterwards that my statement has cleared some serious misunderstandings, since I had explained that this decision results from the decision to provide non-austerity for demobilised soldiers. They had feared that I was simply giving way to pressure from bespoke tailors and others. They are very insistent on down-pointing of austerity and on coupon replacement. On the former I say there

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will be some down-pointing, but refuse to commit myself as to how much. After some loose talk about making these garments coupon-free, they end up by suggesting, through Kaye, 16 as against the present 26. "A more reduction of three or four", they say, would not be enough. On coupon replacement I point out the administrative difficulties but say we will go into them. The meeting passes off without any violent explosions, which is a surprise to some of my officials.

Later in the day I have another and final conference on down-pointing and settle on 20, i.e., a cut of 6 on a suit, and of 2 per garment. The officials are a little reluctant to go below 22, but this would have seemed very mean and I think 20 sounds a good deal better than 2 less than 22. Ivor Thomas is got on the telephone to put an arranged P.Q. next Tuesday.

E.B. has summoned a large number of Ministers to discuss the latest version of his Demobilisation plan. This now provides that there shall be -

- (1) Class A - i.e., men definitely demobilised on the basis of age and length of service, to receive two months' leave with pay, to have the right to return to their pre-war job, or to find another to suit themselves, but liable, if they are not in work at the end of two months, to be "directed".
- (2) Class B men, to be a good deal less numerous than Class A, and to be temporarily released, not demobilised, to be selected on occupational grounds of urgency for reconstruction, e.g., bricklayers, to be directed from the start to particular jobs, and to be liable to recall to the Forces if they give trouble. Subject, however, to occupational grouping, these men would be released within their groups in accordance with age and length of service.

Class B. would also include the small percentage of "specialists" or "key men", to be chosen through the Deferment machinery put into reverse.

E.B. is very anxious to get as many men out of the Army as possible, whether demobilised or released, who have high claims on the basis of age and length of service. Therefore, he proposes that the younger age classes and others hitherto reserved should be called up to take the places of men demobilised or released.

I back this paper whole-heartedly, on the ground that during the war with Japan it will be essential that people coming out of the Forces shall do what is required in the national interest as distinct from what they think they would like. I am rather irritated by H.M. arguing on for some time, in the presence of a lot of other Ministers, about whether his damned policemen and Civil Defence workers should have various forms of preferential treatment.

I add the point that it will be necessary to take powers of direction during this period over munition workers and others who are directed now. E.B. says he has this in mind, but he thinks the Cabinet will make enough fuss over his first paper for the start

Lunch alone with Melchett - MacGowan being in bed with lumbago. Melchett, of course, is a very intelligent fellow, and our conversation is on a higher mental plane through the absence of MacGowan. He says that the evolution of arms has alternatively favoured the regular armed forces and the mob. Up to the outbreak of this war, it was going all against the mob, and it seemed that a small highly armed force could dominate vast multitudes. But lately it has gone the other way. Small and relatively cheap fire arms and other weapons have been invented, largely for sabotage and irregular and underground warfare. And thus, at close quarters, the sticky bomb can do in the tank and small bombs and hand-grenades, not to speak of small weapons such as tommy guns, have reversed the situation. There is now being invented a silent pistol, so that one person can shoot another and just walk out of the room, without a sound. And so, he says, one person could shoot another at a cinema and, barring a cry from the victim, no-one else guess what was on. The post-war world will be dangerously full of highly trained and easily equipped gangsters. All the underground movements are being trained in this sort of thing.

He says that he is spending a great part of his time - and it is horrible to have to confess it - in conducting experiments as to how things can be made to burn. In the later developments of air attack, high explosive has become completely secondary to fire, and even the largest block-busters are now mere secondary "moral effect". (The German attempt to make the Palace of Westminster burn again in the small hours of the next morning are an amusing commentary on this!)

Melchett is obviously rather worried about the U.S. prosecutions and would like a declaration of Government policy much on the lines of what we have in mind - namely, requirement of registration of all "restrictive agreements", international or

(I hate indicted him)

industrialist

domestic, with power to the Board of Trade to examine any which don't look good, probably through the medium of an International Commission, whose report should generally be published, and with power to the Board of Trade to disallow any which are against the public interest. He says that prosecutions under the Sherman Act are largely political and designed to advertise various Attorneys. One of these, Arnold, said to him "No industrialist ranks over here until he has been prosecuted by me." He also said "cartels, patents, blackmail, bribery, anti-national activities, - it's all the same thing." When M. protested, he said "At any rate, they will all believe it by the time I have finished." M. admitted that there might be some letters, written without authority by underlings in the employ of I.C.I., immediately after the outbreak of war, which might bear a sinister interpretation. But he himself, he said, had made the position of the Company quite clear from the start and would be glad if these letters were published.

I told him that I.G. Farben's agent at Ankara had said there was nothing to bother about, because at the end of the war I.G. and I.C.I. and Duponts would all be working together again. M. said he was not surprised to hear this, for this was the line the Germans always took. He hoped, on the other hand, that all I.G.'s plant, etc., would be smashed up, and he also propounded a plan whereby the Germans would be made to lose at least five years in competitive research, through restrictions which we should impose, during the period when we were occupying Germany, not only on their chemical industry and actual research, but also on the training of chemists in Universities, technical schools, etc.

Finally, we arranged that he should come and see me and talk in some detail about the various agency factories which I.C.I. were running for the Government, and on their post-war uses. He mentioned particularly Gowerton, near Swansea, which they would like to keep going on light alloys. I spoke, of course, on the importance of location. He thought I.C.I. would want to raise a large quantity of new capital, and I said that it might be possible to give some support to this if the money was to be spent in Development Areas.

Two and a half hours in Woolton's large Committee on Steering Committee Report, first three chapters. A very general discussion. It is proposed that Dennis Robertson should write up a popular version, suitable for M.P.s and journalists, of the Steering Committee Report, as modified by our discussions, to be published as a White Paper. This will be some job! But it is desired to get in in front of Beveridge. I say that it is

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wonderful that "the maintenance of aggregate demand" is now part of "the Treasury view". I find Cherwell as good on this as any of my colleagues. But that is not high praise! We are to meet again next Friday to "consider" the rest of the Report.

A.O. and P.L. strongly urge me to return an unfavourable reply to O.L.'s proposal to give Philip Reed a letter, signed by himself, suggesting the possible desirability of some new high-powered Combined Export Committee, if our negotiations in Washington on the Export White Paper finally fail. I accept their advice. There are odd influences at work in the Ministry of Production. It is trying to become a sort of pseudo Foreign Office for the appeasement of America. They think that Sinclair and Strathallan are the niggers in the woodpile.

22. 1. 44

A good barrage starts up about 4 a.m. and I hear later that a quantity of incendiaries were dropped on the Houses of Parliament but that most of them failed to go off and that no serious damage was done, though a new hole seems to have been burnt in the roof of Westminster Hall. I suppose they were really aiming at the Board of Trade!

Conference on Cotton, with Overton, Barlow, Watkinson, Lintott, D.J. and MacMahon. There is general agreement that the Streat Report is really no good and that Platt is much nearer the mark; also that my best next step is to appoint a new small committee of enquiry by outsiders into the industry. This will have to be cleared with colleagues and I shall wait till next Friday, when the Reconstruction Committee meets again on the Steering Committee Report. Also it will be interesting to see the press reactions next Tuesday to the Streat Report. I hear that Streat has been going around trying to cook the press, possibly with some success. Names for the Enquiry are suggested and Clay is a good deal favoured. Keynes is thought to be a speculation. But he has written to me suggesting that we have a talk.

Lunch with Phil at Acropolis.

DIARY .24. 1. 44

Maxwell, Tobacco Controller ~~off~~ just off to U.S.A. to try to persuade them not to take tobacco ~~off~~ our troops for Lend-Lease. They have already taken off our civilian supplies. He is a good man on all this. He says that, though people think they are smoking about 20% more tobacco than pre-war, the increase is really only 5%. This difference is explained by the fact that now they are smoking stalks as well, but don't realise it.

25. 1. 44

P.Q.s. To-day I announce the abolition of style restrictions on men's suits as from February 1st (same day as the 24 new coupons for the next six months become available), non-austerity to be allowed to be supplied to the public as from March 1st, and austerity to be down-pointed from 26 to 20, i.e., by two coupons for each garment, right away. This is, of course, a very popular move, though a few people are inclined to say it shows that the restrictions were never necessary at all, and the trade is in a state of hysterical fear lest all austerity stocks should be frozen. To-day, however, the Answer goes over quite easily, two very trivial supplementaries only being asked, and I am not even heckled as to why there was a gross leakage to the press yesterday. The answer on that would have been easy, for last night on the 6 o'clock News it was stated that "it is announced", not by the Board of Trade, but by the Joint Committee of the Tailoring Trade, that this change was coming!

L.P. Policy Sub this afternoon, at which we decide to submit to the Annual Conference a declaration on Full Employment, with special reference to Finance. I shall have to make the real draft of this paper, basing myself on material to be put up by some of the anonymous members of the Finance Sub.

H.G. and I dine with Rank alone. He is very keen on the latest ~~mixix~~ form of his export plan, but there have been so many of these that I don't particularly focus it.

DIARY (cont.)

26. 1. 44

Labour Party National Executive. There had been rumours of opposition, but we unanimously elect Ellen, on my motion, to be Chairman till Whitsun. Laski is Vice-Chairman. Probably both these should continue for the next year afterwards. Agreed that we should put up a document on Full Employment, with special reference to Finance, and to International Economic Policy, for the Conference.

Dine this evening with Harvie Watt and Harold Mitchell. Also present Willink, whom I had never really talked to before, Air-Marshall Peck, and some Presbyterian Minister who said his wife was thrilled that he was going to meet me to-night and had been tremendously impressed by what I had said about coupons at the Women's Meeting in the Albert Hall. Quite a pleasant evening, in the course of which it emerges that the Tories are really not very keen on Redistribution after all. It is going to put every member's teeth on edge, wondering what will happen to his own boundaries. Willink says that he will have frightful trouble in Croydon with Herbert Williams and that, if Croydon gets, as normally it should, a third Member, one seat will almost certainly go Labour. I suggest that we might regard Redistribution as "controversial" and postpone it to the end of the war, when we can see where people are going to settle down.

27. 1. 44

A lot of interviews with nothing very important. I am pressing old Sam Beale to go out to Washington and try his breezy manner on the Americans, who are being difficult about the Export White Paper negotiations. I think he will go.

Nelson brings Baillieu to see me. I rather like them both.

28. 1. 44

L.P.Cttee. on Cost of Living, Cotton Prices, etc. The cost of living is tending to rise, owing to prospective increases in the price of coal, gas and clothing. Subsidies to keep it down are now running at the rate of about £200 million a year. If these are not increased, it may go above the present agreed ceiling of 101

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and may reach 105 before the end of this year. The chief cause is wage increases and a number of further applications are pending. J.A. and the Treasury officials want to let it go up to 105, but this is clearly dangerous as it would provoke further wage applications, and also claims from Pensioners and others. E.B., in particular, hopes it won't go above 101, and J.A. agrees not to let it do so without consulting us again. It will not be above 101 when he makes his Budget speech. Stabilisation policy has worked very well and there has been practically no movement for the past three years.

Cotton Prices are to be adjusted, by raising the price of raw cotton by 3d. a lb. - there is now a subsidy of 4½d. on this - and by eliminating this amount of the subsidy on export, as well as hosiery and all non-utility in the home market. There will be a fresh, though much less expensive, subsidy on utility cloth so as to prevent any rise in utility clothing prices. This is obviously sensible.

Visit the Works of Smiths Clocks at Cricklewood. It seems a very efficient affair, with post-war prospects of producing a large quantity of alarm clocks, both for home and export. Before the war we produced none - hence recent troubles - but imported mainly from Germany, and to a less extent from Switzerland and Italy. There was really no sensible economic reason for this.

Two hours at Reconstruction Committee, considering with a large swarm of colleagues Chapter V of the Steering Committee's Report on Location of Industry. On the whole, a very satisfactory afternoon. I had been prepared to make a row and to tell them, at the end, that the delay and indecision over this had become so intolerable that I had now no recourse left except to send a Minute direct to the Prime Minister. But nothing like this turned out to be necessary. The dessicated and sinister Sir Alan Barlow - I much prefer my own Sir Thomas - squatted beside J.A. and whispered in his ear from time to time. Woolton invited me to begin. I said that, broadly, I favoured the proposals of the S.C. as a minimum, though I had some reservations on points of detail, and thought that in some respects the proposals were timid and inadequate. None the less, they would give us a start. After some further obvious explanations of the elements of the problem, I said that, following the long delay on the S.C., we had been caught short in the debate on the Address, when amendments had been moved on Location, and that I had been asked by the War Cabinet to speak but had been comiserated with because there was practically nothing that

/I could

I could say. However, W. and O.L. had made helpful suggestions and, in the result, I had got away with it pretty well, and Parliament and the press had been favourable. But we could not go on any longer, without grave embarrassment, without a policy. In particular, before my speech on December 8th, and still more since, hundreds of industrialists had approached me and my officials asking for guidance, and it was impossible to give them any reply. I therefore pressed that I should have, that very afternoon, the agreement of my colleagues to telling industrialists and others that the Government would like them, in the national interest, to consider the possibility of putting factories into any of the following four areas:

- (1) South Wales - as a whole, that is to say, including Cardiff, Swansea and Newport, and not merely within the bounds of the old Special Area,
- (2) Industrial Scotland, including Dundee, and also Glasgow, and thus again going beyond the bounds of the old S.A.,
- (3) The North-East coast, i.e., Tyneside and the County of Durham, and
- (4) West Cumberland.

At the end of the meeting, when we were just breaking up, I pressed again for this authority and got it. I shall now also be able to say something about industrial building facilities in these areas. This, I am convinced, is the most potent of all the available inducements now and in the Transition. None of the colleagues argued against this to-day. By getting this authority to write letters, I have made sure that these four areas will soon have to be publicly announced, for some of the letters will certainly be shown or reported to the press. Some of my colleagues, frightened of public announcements, seem not to foresee this obvious next move on the chess board. But that's their funeral. I shall be very glad for the areas to be announced, and not at all sorry to be pressed to make certain additions to them.

I get good support from Portal, who has a practical knowledge of this question, and has come much nearer to my way of thinking in the last few months. Also from W.S.Morrison. The chief difficulties were made by O.L., who talked a lot of capitalist hot air about the need to approach the question "from the point of view of industry and not from the point of view of areas". In fact, however, I squared him by relating how Sam Courtauld and I

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talked to each other, he saying he would like to have a few more plants in new places, and that he wants lots of water, and I giving him a list of half a dozen places, with plenty of water, in these difficult areas which he can inspect. O.L. said "Oh, that is the industrial approach", and he made no difficulty about my naming the four areas to the industrialists. C.R.A., well briefed, I should think, by E.D., asks some helpful questions about the quantity of industrial building available in the various areas. He enables me to emphasise that, in the North/^{East} particularly, there is a great shortage, since for a long while a strategic bar was put on all arms production there. Clearly, therefore, in the N.E. we must build more factories, in addition to making full use of what are there now, if we are to employ the population. Otherwise we shall only be providing good houses for some of the unemployed. The shortage of factories, I explain, is less severe in South Wales and Scotland, but, even there, some new industrial building is needed. Cherwell backs me up pretty well and is specially strong on having all our permanent arms production in these areas. He also thinks that we ought to be able to vary the volume of arms production, like Social Security contributions, according to the general state of trade. This is a bright idea. E.B. spends most of his speech in an ideological pillow fight with O.L. These are Defence Areas, he says, and we must look after them in peace as in war. They were neglected by private enterprise before the war. Everything was closed down following some talk in the back parlour of some Bank. He glared at O.L. as much as to say "And no doubt you were there". He thinks that the Local Authorities could have done much better in attracting, and even financing, industries to these areas if they had been allowed to do so. But the law prevented them. "You call this private enterprise; I call it slavery". If private enterprise continued to fail, the state and the local authorities would have to deal with this direct. I was interested to notice (1) that he made no difficulty at all about my four areas, and (2) that he showed no desire to play a prominent part in the administration of the new scheme. On (1) we have been intolerably ~~dis~~tructed by his officials, but it is clear that these have not put the matter up to him. On (2) some people here have been longing to pass this baby to the Minister of Labour, but he seems not, for the moment, at least, to want it. He is deeply involved in his latest man power squeeze and in his Disabled Persons Bill in Parliament.

There is some discussion on the proposed Barlow Ban, with suitable provision in exceptional cases, on Greater London. This is strongly supported by W.S.M. and by me and H.M. Some other Ministers hedge, but a majority are frightened of it for the moment. Cranborne makes the bright suggestion that we might say that London is not to be spread any further but we shall build it all up higher.

He has noticed several two-storied houses and wonders why they could not be built up higher.

At the end of the meeting I get my authority to tell industrialists about my four areas, and it is agreed that W., O.L., Portal and I - to whom Cherwell is afterwards added - shall produce a statement of policy in the light of discussion. Quite a good afternoon, and most of my officials, to whom I relate this afterwards, are rather pleased.

d E.B.

DIARY31. 1. 44

Tomkins, still pleased, I think, to be taken so much notice of, discusses with me and D.J. the latter's project to get a furniture factory started in Llanelly. At first some opposition, but we finally get all this down to a suggestion that the firm should join their Employers' Association!

Keynes to see me, at his own request, on Cotton. He is pro-Platt and thinks him a genius. All the cotton leaders are "old jossers who want to live the rest of their days in peace". They don't want to be bothered with new ideas or new machinery. The old stuff they are used to will last their time. They are completely defeatist as regards the future and are only thinking of getting back to 1939. They ought to be thinking of getting back to 1929. Otherwise we are cooked, and can't possibly expand our total exports sufficiently. Who else can supply the post-war world's cotton needs? Germany and Japan will be on their backs, India hasn't our efficiency, the United States costs are too high, Brazil is still very small. Who else but we have got the looms and spindles? We should route all our imports through the B.O.C. We shall get good prices for our exports after the war and there is no point in leaving these to be absorbed by foreign merchants. B.O.C. should make a lot of money and this should be passed back into the industry for equipment - electrification, automatic looms, air-conditioning plant, etc. He thinks I should send up a small committee - himself, say, Clay and one other - to Manchester to work out a scheme. Very bright and stimulating!

Long sitting in W.'s Reconstruction Committee this afternoon. It was to have been on the Town and Country Planning Charter. Instead, it is all on Housing, and I am sorry to see that Willink brings two officials - it is much better when only Ministers meet - and these two whisper in his ear whenever anyone else suggests a compromise, giving him reasons why he should refuse it.

I have rather a rowdy conference this evening with Watkinson, Miss K., Warter and D.J., on the draft stock letter to industrialists on Location. Miss K. has tried to import the Special Areas boundaries into the description. I say I won't have this, that they must stick as closely as they can to what I said and the Cabinet Committee approved, and that I am quite conscious of

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the resistance in some official quarters here to taking what I regard as a proper share of responsibility for Location policy. I say that any Minister who is any good knows what is going on in the official world in his Department. A redraft is to come up to-morrow.

1. 2. 44

P.Q.s afford some fun, and I get the chance of two good cracks. First, in reply to Jennie Adamson, who asks whether, if women bring the same pressure to bear on me as the men did, I will capitulate to them over clothing restrictions, I say that women have been much more reasonable and much less conservative than men in these matters and that I should like to thank them. This flattens her out and I hear later that my reply has given great satisfaction in other female quarters. Then on razor blades, having admitted that men in the Forces get twice as many as men in civilian life, I am asked whether I realise that this will mean that M.P.s will soon have to come to the House with large and bushy beards, and I reply to V. Bartlett that, if so, he will incur less severe penalties than if he were in the Forces. These are the sort of jokes the House of Commons likes!

Glenconner to see me, for the first time since he was working for me when I was at M.E.W. He came out of all that some months ago and is now back in the City. He is very expert minded and would like to help, without payment, part time, in any way that might be useful in regard to future export plans. I would like to have him and mention this to H.J. On his work in Cairo he thinks that, up to a point, the P.M. and the F.O. were on quite the wrong line about Greece, and that a great mistake was made in the treatment of the delegation who came out from Greece. Clearly, the majority of Greeks were Republicans, though not Communist. The only result of unduly pressing the King upon them was that they remained Republican, and more inclined to be Communist, and less inclined to trust us or to fight the Germans in co-operation with us. I tell him of the later phase when there was a change in the direction which he would have liked, though the President spoilt the opening. As to Juggery, he says Mikhailovic was not, as some allege, collaborating with the enemy, but was only interested in Serbia and was holding back his forces against the day when he could liberate Serbia. He would not take our advice and relations with him had become less and less worth while. Tito, on the other hand, had large Serb elements, perhaps 40%, in his forces and was obviously a very much better proposition.

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Then Clay to discuss cotton. He, too, is a backer of Platt, who, he says, is very popular with the Bank of England, partly because the Governor likes toughs like this and partly because he rescued the Lancashire Cotton Corporation from bankruptcy. Clay would be prepared to help, either publicly or privately, in reorganising cotton, but he doesn't share Keynes' optimism on the post-war size of the industry. He thinks they would do very well if they held their 1939 size.

War Cabinet on Man Power. The minor amendments in my favour in allocations for footwear, furniture and laundries, go through without dispute. The P.M. will preside over a weekly meeting on the repercussions of Overlord on civil life. I shall go as and when I am affected.

2. 2. 44

I issued late last night a most imperative instruction that the stock letter on Location, the terms of which I had now finally settled, was to be sent out as soon as possible this morning, to as many industrialists as possible, and that this despatch was to have priority over any other work which might conflict with it. I added that there were particular reasons for high speed. G.P. reports that by lunch time twenty such letters had already gone out.

The reason for this hustle was that yesterday (Tuesday) E.B.'s Private Secretary had rung up G.P. and asked whether it was the case that I was contemplating a public statement on the Development Areas - obviously hinting that, if so, his Minister should see it. G.P. replied, most correctly and diplomatically, that I was doing nothing beyond despatching letters, in the terms of the Cabinet Committee decision of last Friday, to industrialists who had approached the B. of T., indicating four areas. It was, therefore, clear that E.B.'s officials, chagrined at E.B.'s poor showing on the Minutes of Friday's meeting - he had, in fact, left just before the end, having lost his temper with O.L., but had shown no sign of opposition to my original proposals and had, indeed, supported them with his old talk of the "Defence Areas" - had been trying to hot up E.B. to believe that he was being by-passed and double-crossed by me. (This is the worst of having too many Ministers to square, and too many jealous officials trying to inject this same green liquid into their Chief's red blood.) If, therefore, we are to get our flying start, Miss K. must stop discussing commas in the draft and it must go off quick.

/Conference

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Conference on Cotton with C.W. and various officials. All seem agreed that we ought to begin by cleaning up spinning. Various alternative procedures are discussed.

On this a new suggestion is made this afternoon by Helmore - strictly it is none of his business, but this is not the sort of objection which I ever take to bright ideas. He thinks that I might issue a White Paper, laying down general lines on which we have now made up our minds, have a debate and see how the House takes it. I am inclined to like this. He really came to see me about accommodation. After much prodding it is arranged that Warter and his principal staff shall soon be in this building. Helmore and Establishment are going down to the ground floor.

Quite successful partie carrée at the Acropolis, where R. and I entertain Phil and Irene. The latter, whom I had not really intended to ask but who, as we know from experience, always pushes herself in when she can, was much better than usual, and Phil was very quick and bright. Later, R. and I ran into A.P. Herbert with wife and Philip Nicholls.

3. 2. 44

Tinplate. I unhesitatingly refuse, after a conference with Cunliffe and various officials, to make an Order, as requested by the Tinplate Association, authorising them to have nearly £1,000,000 of the taxpayers' money to be handed out in compensation to shareholders in dud tinplate works, most of which will probably never reopen anyhow. This ramp is proposed under some Act of Parliament of 1935. But it is admitted that neither have the Trade Unions been consulted, nor would any compensation be paid to displaced workmen, as compared with shareholders. Nor, in my view, is it sense to put up a redundancy scheme like this, in isolation from a general plan for the reorganisation of the tinplate industry. Nor could I incur the odium of signing the death warrant of a number of these Works, old though they be, without being able to provide additional employment in South, and especially in West, Wales. Both the economics and the politics are conclusive against this.

Lunch with Beale and his co-Directors of Guest, Keen & Nettlefold. All very jovial! Beale has obviously been telling everybody that he is going to Washington on an important mission, and the news is bombinating in all the West End Clubs. He is evidently very pleased about it. We have just cleared the telegram

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to Halifax announcing his impending arrival, with the Treasury and the Ministry of Production, so that I can say that the Chancellor and the Minister of P. both concur. I spoke on the phone with the latter this morning and he, liking Beale, thinks it a good move, though he has little hope of its success, and thinks, and I agree, that the only move left, if this fails, will be to take the thing right up to a personal intervention by the P.M. with the President. But there are great political advantages in my sending Beale, since, if he succeeds, I shall get much of the credit, and, if he fails, I shall have put myself reasonably right with the business world.

Devereux to see me. He talks of his W.Cumberland projects, and it seems that he would make increased employment at Millom, as well as keeping Dissington, though some employment might move from the Workington Iron & Steel plant down to Millom. A bit of a buccaneer, but may be serviceable to West Cumberland.

Tom Fraser, M.P., to dine. He is a pleasant, though curiously unassertive, young man. He succeeded old Duncan Graham a year ago, but has been seen very little in the House, and has only spoken twice. He is feeling his way and says that he was very unwilling to accept the candidature, not feeling himself sufficiently qualified. He seems to have been taking some interest, not only in the inevitable mining questions of his constituency - he himself worked in the pits until a candidate, though he was also Secretary of the next door D.L.P. - but in Colonial questions, and has joined the Fabian Committee on these. He has a sense of humour, doesn't drink, and is, I think, less than 30. He might go quite some way. He says that he is shocked at the amount of jealousy everywhere. He was most delighted to have been asked to-night. He has, I think, been left very much to his own resources.

4. 2. 44

Spend one hour and 55 minutes in Lord President's Cttee. First one hour and 45 minutes I sit listening to an endless and inconclusive debate on the conditions under which land taken by the State during the war shall either be retained or returned to the owners. I have no real departmental interest here. Twenty-five Ministers, in addition to six officials, crowd the room. This is a burlesque of Government. The paper on the bill only reached some Ministers yesterday and there are the strongest differences of view, or rather of prejudice, on all hypothetical cases - dwelling houses, factories, new buildings on previously open land, etc. In the last ten minutes I present to them a paper on Methods of Price

/Control

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Control (attached). This is a very good paper, and seems to interest and satisfy my colleagues. The Minutes say that it was "received with appreciation". Neither G.P. nor I ever remembered having seen this phrase before. But fancy having to wait 95 minutes in order to say 20 words!

In the afternoon proceed to Reconstruction Committee under W. Here again, as in the morning, arriving at the proper hour, I have to sit speechlessly bored for one hour and 30 minutes while my colleagues argue back and fore about minutiae about National Health Service, on which a portentous draft White Paper, running to 90 pages, is before us. Then, in the last 30 minutes, we have an interesting and not at all unsatisfactory discussion, from my point of view, on Restrictive Practices. I press for an early decision in principle and an early announcement in general lines of intention to legislate. I point out that Parliament and the press, as well as the U.S.G., are much interested in this, and say that I cannot improve on the statement of the case in leading articles in the Daily Express of February 2nd and the Evening Standard of February 3rd (attached). These should be read, I say, by my colleagues, if only as models of English prose; evidently both are by the same hand.

I then turn to the Report of the S.C. and praise the very firm and cogent reasons against the appointment of a Royal Commission. This, I say, is the first resort of lazy, tired and indecisive minds. W. here intervenes and says, in a slightly shrill voice, "Gentlemen, are any of us in favour of the appointment of a Royal Commission?" All shake their heads. So this is ruled out.

I then expound the two alternatives, the more moderate and the more drastic, proposed to the S.C. in the paper submitted by the B. of T. I say that I myself favour the more drastic, since I hold that these restrictive agreements are generally contrary to the public interest. My view is that you should have either really free profit-seeking competition, or else a centrally planned public enterprise. These restrictive agreements give the worst of both worlds. I cannot myself improve on the language of the Daily Express leader. If, however, my colleagues don't feel able to accept the most drastic alternative, I trust that the more moderate is at least a minimum which we can accept and announce quickly. MacGowan has twice, in letters to The Times, offered registration of his agreements, and it would be churlish to refuse.

In the discussion which followed, no Minister was opposed to registration, and most accepted, substantially at least, the more

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moderate alternative. Several, however, took the rather surprising, but to me by no means unsatisfactory, view, that the case against domestic rings is much stronger than against international, and that, whereas the more moderate procedure might be applied to the latter, the more drastic is appropriate to the former. I should be quite happy if it came out like this, though there would be pressure from the U.S.G. to tighten up on international. But this would be all right.

It is left that Jowitt, in consultation with me, is to draft a note of points for decision, and "if possible" a draft announcement which might be made in Parliament at an early date.

Not too bad!

Dine with Windle and others at the Piccadilly - Val Crittall, Tom McPherson (now working for M.W.T. in Glasgow) and Garro Jones diversify the company, which includes the persistent Mr Pickup, who is rather too crude and cocksure in his political talk, and others from Transport House. It is desired to have a monthly meeting and to add a few more business men. This might turn out to be some use, or just a waste of time. We shall see.

5. 2. 44

I am to see W. on Monday on Cotton and have a further talk with the officials here. Tactics are difficult. There are several possibilities, of which I am inclined at the moment to prefer that H.M.G. should reach their own decisions and issue a White Paper embodying these in general terms, and invite a debate in the House. But we should not be tied too tight to these recommendations and would take account of what was said in Parliament and in the press. If the reception was reasonably good, we should then appoint a small committee to work out detail; if it was bad, we should regret that there was so little agreement and either let the thing alone for the present or think up some modification.

Alternative courses include (1) the appointment of yet another committee, this time of persons not engaged in the industry, to enquire and report, but this, which is recommended by the S.C., I regard with great distaste; (2) a series of further consultations with the industry, which I agree with Barlow is "quite revolting"; (3) the making of a statement in the House that we don't think the

/Streat

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Streat Report goes far enough and that further steps should be taken for the formation of larger units and "closer integration of productive programmes", or some such phrase, and that, therefore, I propose to appoint a committee, whom I should name to the House, to consult with the industry and prepare plans. I don't much like this either. The personnel of the committee would be criticised and a debate would be dragged from us, whereas under the W.P. it would be freely offered.

It was clearly expedient that I should see Streat next week - he has been hovering in the neighbourhood for some time and it would be a pity if he were to go sour or to resign in a huff.

To Bob and Betty at Hampstead in the evening.

DIARY7. 2. 44

Useful talk with Woolton on Cotton. He thinks Streat's Report very poor and Platt's rather good. We agree to have a meeting of Lancashire M.P.s to discuss cotton, following my meeting with the Cotton Board Committee. He speaks most contemptuously of the merchants, and tells stories, from his own experience, of little men in back rooms who ran away with the money. He tried to buy direct from the Calico Printers, but they told him he must go through a merchant. (Somebody said afterwards that those who had to deal with Woolton in business had to run away with the money or they would never have kept any.)

A most dreary afternoon in the Reconstruction Committee where we go mumbling on with W.S.Morrison's paper on Town and Country Planning. After two and a half hours of this, Woolton says, "Well, gentlemen, it is clear that we are not agreed." Indeed, we made no progress at all.

8. 2. 44

International Sub spends an hour and a half on the second part of my draft for Post-War International Settlement. It goes wonderfully well and there is really no opposition, hardly even from Phil, who, of course, arrives late. I am now left to redraft, but we shall not try to get it before the Executive until their March meeting. G.D. was very businesslike in the Chair and I am amazed at the facility with which it has practically all gone through. H.J.L. was again most friendly and wrote me afterwards a letter, very emotional, thanking me for my paragraph on Palestine.

War Cab.Cttee. on Indian Finance. A long and rather tedious discussion with swarms of officials present. It is generally agreed that we cannot open up, in any drastic way, the very bad and improvident financial agreement made with the Government of India by the Chatfield Committee in 1937. The Indian Government are very touchy at some of our telegrams, but we shall ask them a few more embarrassing questions on their procedure for checking prices, profits, etc.

Take Streat to dine at the Etoile. Before he arrives, I have a confab with all my officials, including Barlow, who follow cotton. Barlow is afraid that Streat may turn all film starry and threaten to resign if I show I have no confidence in him. This

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would be a bore. And, therefore, I begin by praising much of his Report and welcoming his offer that his Committee should make a plan for Finishing, and only gradually lead on, having given him quite a good dinner, with some claret, on which he thinks he is a connoisseur, and some brandy afterwards, to the points where he falls down - on merchants and spinning - and finally to my warning that "price management" will not go with any section of the Government. I have to steer him away, as some of my advisers had warned me I should, from his half suggestion that he and his Committee might do something about spinning. (Next night Platt thought that we should give them six months trial trip to amalgamate spinning, threatening to use compulsory powers afterwards if necessary.) Streat said that Platt had been very disloyal and had been getting at the press behind his back.

9. 2. 44

Oscar Pollak and two colleagues call and tell me how the Austrian Socialists are getting on. Their chief concern seems to be to fight the Communists. They say the Czechs now have relations only with the Communists and not with them. They say that frankly they are all very much afraid of Russia. I don't think they really know what is happening, or what is thought, in Austria. They say they know they can't expect, for their conglomerate Austrian Democratic Committee, any "recognition", but they want the Labour Party Executive to issue some statement in their favour. I doubt whether this is really much good, but tell Pollak to tell Gillies that I think it might be considered by our International Sub.

Wish good luck to Sir S. Beale, just off for Washington. He is very pleased with himself and had a good talk yesterday with O.L. and Sinclair. He is taking Stirling with him and has been pulling every string to ensure the comfort of his passage and reception on the other side.

Take Frank Platt to dine at Josefs. He says that Streat was so "deflated" by the adverse press comments on his Report that he was definitely thinking of resigning his Chairmanship of the Cotton Board. Platt is very pleased at our intention to do something about spinning, and I tell him of our intended meeting with the M.P.s and Woolton's generally helpful attitude. He would clearly like to take charge himself of the reorganisation of spinning. But this would not quite do, though at a later stage he should play a large role. He will send me a few notes for my

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reception of the Cotton Board next week. He thinks that Hammersley might be useful and suggests that he might have a seat on the Board of the Reconstructed Spinning Combines.

10. 2. 44

Two hours with F.B.I. Deputation, headed by Baillieu, who is very easy and likeable. They talk about price control and other matters. I arrange for some of them to come and meet C.W.'s weekly committee. Then I put them in some difficulty by asking how all their committees and enquiries are getting on, and when we shall be receiving their Reports. It all seems slow. I like Nelson and Baillieu, but they are a very poor lot otherwise.

Meade to coach me just before lunch on to-morrow's War Cab. There have been great comings and goings by the officials trying to get all the Ministers primed right. Great efforts have been made with E.B.'s advisers, it is thought with some success. Cherwell has written a wonderful minute for the P.M. which Meade has seen and approves. (It was, apparently, a very personal and rather abusive minute, and Cherwell told me that the P.M. said "You had better circulate it", but C. had to explain this wouldn't do at all.)

Lunch at Drapers for Queen Mary College meeting, at which we approve the appointment of Ifor Evans as the new Principal in succession to Sir F. Maurice.

Hazel Crompton, at her own request, comes to tea. I had not seen her for, perhaps, 20 years. Her parents both died last year well in their nineties. She discovered various old Carbonari relics with all our signatures. I said that she must show them to me. She still keeps up with Beryl Power.

Dine, though rather weary, with Leslie and Doris Nicholls. He is very cheerful and I am arranging for him to join the Fabian Society. He still thinks he would like to do politics after the war. If he gets half a chance, he would be quite a good candidate. He has been getting on very well with the Americans and is a great admirer of Patton, and sure that, if he had been in command at Anzio, they would have broken right through and got to Rome. Mark Clark is very cautious and it is clear that the whole thing has gone rather badly wrong, largely because Kesselring made a violent and successful attack on the Fifth Army front immediately after the Anzio landing, and thus prevented a forward movement by the Fifth Army to join up with the bridgehead behind the Pontine Marshes. Ike had been very

/anxious

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anxious for L.N. to go with him as his Signals Adviser, but Alan Brooke had gone up in the air at this and so far it is not agreed to, so he is going back in a few days' time to N.Africa. His Command now stretches from Casablanca to Beirut, and includes Italy and the Islands. He has had some interesting and important work to do in laying new cables and opening up communications as the campaign has gone on. He thinks the way in which we got the Port of Naples working was a wonderful achievement. But the Germans have been fighting very well indeed all through and showing the most damnable inventiveness with mines, etc. These are now mostly made of plastics and not metal, and so cannot be detected except by prodding, which is not very safe. There have been many delay-action mines which have not gone off for three weeks. There was one such right under the main Post Office in Naples. When it exploded, the whole building went up and many casualties were caused, both among our troops and among civilians. Jumbo Wilson is 62 years old and now so fat that, when he sits in an arm chair, he can't get out again. He is thought to be a wonderfully good diplomat but, as a soldier, he seems something of a Jonah. There was much comment on his loss of Cos and Leros, and it is not forgotten that he was commanding in Syria, where the campaign went very slowly, and in Crete, which many think we ought to have held. And now we have Anzio!

11. 2. 44

A morning full of colleagues. L.P.Cttee. on (1) post-war training, (2) coal (G.L.G. in a great state because, following the Porter Award, which raises miners' wages, particularly of the low paid men, thus much reducing the "differential" for skill, the South Wales miners and owners, led by old Evan Williams, have squared up further concessions, without a word to G.L.G., or any of his officials, including 15% increase for all piece workers, expecting that the Government will make the public pay, and with the sure prospect of repercussions in all other coalfields; he asks, and gets authority from the War Cab. later in the morning to issue a public statement that the Government will honour the Porter Award but is committed to nothing more; he thinks that this will mean that all South Wales will come out on strike, but this is less than the alternative evils); (3) report by O.L. on prospective stocks of raw materials in which ~~coal~~ and cotton aren't too bad, but hardwoods and leather very poor, and jute practically nil, so that it looks as though there will be very little furniture or footwear and no carpets or linoleum; and (4) a suggestion by me to publish some export figures, thus lifting a corner of the statistical blackout,

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Wood

but most colleagues think we should go cautiously with this and look at it again.

C.R.A. is very slow in the Chair and doesn't bring things to a point.

Thence to War Cab. at No.10. A large gathering to consider Law's paper on the Article VII talks. This is a good statement, and quite brightly written, though rather long. Officials from the Doms. and India are due in ten days' time. What line shall we take? The Beaver has put in a ludicrous paper, making a direct frontal attack, on the ground (a) that this is the Gold Standard all over again, and (b) that we are abolishing Imperial Preference. As to (a), this is the sheerest piffle, the latest arrangements at Washington being about as different from the Gold Standard as can be conceived. Bevin, who is always a little difficult on this point, has been warned that if he makes a row to-day, he will be isolated along with Beaverbrook and the Bank of England, who are at the bottom of a lot of Treasury resistance to the new monetary plan. This warning has had its effect. As to (b), the plain truth is that the Dominions now no longer care much about Imperial Preference, and that here is a wonderful opportunity to sell it in return for a good multilateral arrangement. The alternative is gradually to have it whittled away with no quid pro quo.

There is a substantial majority in the War Cab. for going ahead along the lines suggested. Law opens very well and briefly. C.R.A., who has to leave early, tells the P.M. he is in favour of this whole line and that he and I are in agreement and that I know his views. J.A. is pontifical and emphatic and, though half persuaded, I think, to the "long-term objectives", is very anxious that we should not be committed in a transitional period of uncertain length. O.L. is very good and lucid on the exchange arrangements and wholly demolishes the Beaver's assertion that we shall be chained to gold. He is, as previously, sceptical of getting anyone to agree to the multilateral convention, but is not unwilling that we should have a try. Moreover, he is always departmentally eager to appease the Americans and cannot, therefore, go back on this negotiation. I say that my chief aim is to clear as many roads as possible for our exports, not in some distant period, but from the end of the German war. I add that I have always been strongly opposed to the Gold Standard, and support this monetary plan precisely because it steers clear of the gold trap. Cherwell is very hot in support of the Law paper, and then the Beaver waves his arms and talks most arrant rubbish, thinking that Canada might

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Brocken
 easily be persuaded to enter into bilateral barter arrangements with us and join the sterling block. When told by me and Law that the Canadians are very strongly in support of these proposals, he says that, just as in 1912 they drove out Laurier over reciprocity, so now they would drive out MacKenzie King. All this is utterly remote and silly old man's fever fancy. Cranborne confirms that the Dominions have become very uninterested in Preference, and Hudson adds his usual stuff, boring us all and making no converts. It is incredible how these rambling discussions succeed one another, every few months, with no new arguments and no one changing sides and never any really firm decisions. Brief support for the right line is also given by Woolton, H.M. and, most surprisingly, B.B., who sees the point that quota restrictions on our exports of manufactures hit hardest those lines which give us most employment. The P.M., a little torn between Cherwell and the Beaver, says that he knows nothing about these things and has not had time to pass this paper through his mind, but that it is clear that the majority of the Cabinet are in favour of going forward with the negotiations on the lines suggested, and that a small committee of Ministers should look at it and report again to the Cabinet. He names as the Committee J.A., to be Chairman, O.L., myself, Law, Cherwell and the Beaver. Not a bad committee.

Meanwhile, there is further hesitation in finally passing the W.P. on National Health Service, which is to be looked at in the Cabinet again.

Kalina to see me and prepare the way for our lunch with Benes next Tuesday. He will wish to talk about his Russian visit. He did not get quite all he wanted and was kept waiting some time at Teheran. The Czechs were told that they must wear tail coats - I am not quite sure whether morning coats or evening dress - for some of the functions in Moscow, and had to purchase these garments in Teheran. (Frytz told me over the telephone that the Swedish Minister in Moscow, now passing through London, thought that he couldn't go to a theatre over here because he hadn't got any evening dress with him. Frytz said no-one in London now wore evening dress. The Swede from Moscow said it was quite impossible in Moscow to go to any theatre otherwise attired.) K. also said that Benes had told him that all the Russians, not only in the Armed Forces, but the diplomats and other leading people, all wore the most wonderful uniforms, and I myself had noticed a photograph of Maisky, very much dressed up, with heavy epaulettes, receiving the Order of Lenin. Stalin seems now always to wear his Marshall's uniform, and I told K. that I had heard that at Teheran he was smothered in scent. K. tells the usual story of Czech emigré dissensions and says that he

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refused to come to the lunch on Tuesday if Ripka was there. So
Ripka won't be there, but Smutny will, who is now the head of B.'s
Chancellery.

DIARY13. 2. 44 (Sunday)

Address a public meeting at Battersea. This has been well advertised and is reasonably well attended. But I dislike very much addressing public meetings now. One feels held upon a chain with a row of reporters sitting waiting to pounce upon unguarded phrases. Hinley Atkinson is there and we walk back together, after tea with Douglas and his wife. H.A. quite understands my feeling. The audience, he says, are always waiting for "those few reckless words" which would warm them up but would make most disastrous headlines. He is a very strong supporter of M. Webb for the Secretaryship of the Party. I still feel, however, that he can't get it.

14. 2. 44 to 17. 2. 44

These four days are dominated by perpetual meetings of the Cabinet Committee on External Economic Policy. We meet twice a day on each of three days and finish with a majority report by the five of us and a minority report by the Beaver. A most infuriating performance. The Beaver talks at least half the time, or, I should say, shouts headlines at the rest of us - these are the same as he shouts at the War Cabinet next week, as to which see later note. He also shows great skill in obstruction. He several times proposes that the Committee should adjourn, sometimes on the pretext that we should give the Bank of England a chance of preparing an alternative plan, sometimes in order that we may have time to prepare an alternative plan ourselves, sometimes in order that Hudson and Tom Johnstone shall be summoned to the Committee and heard. On the 16th (Wed.) the Beaver and I shout at each other a good deal in the morning. We are now discussing, no longer Currency, but Commercial Policy, and I take a larger share in expounding the plan. When I have spoken a few sentences, he shouts "Have you finished?". I shout "No". He shouts "Tell me when you have finished". I shout "You will know soon enough when I have finished, just as I know when you have finished. You have talked a great deal more than I have for the last few days and now you had better listen to me for a change." Through this J.A. sits immobile and expressionless in the Chair. But at the end of this seance the Beaver invites me to lunch alone with him in his flat in Arlington House. It is a very good lunch, with some very good Rhine wine of which he makes me drink the larger part, a wing of

/chicken

chicken, some dates from Marakesh, some rather good Canadian cheese, and a large brandy. He says "I think you are doing very well in this Committee. You are putting your case very clearly and with great good temper." He also says "I think you are doing your job very well at the Board of Trade". I say "You used not to think that when you were attacking me every day in your paper. Apart from the Express, I used to have quite a good press. Since you have joined the Government, even the Express has stopped attacking me." He says "Oh, there was nothing personal about that. And now, of course, we can't criticize anything that the Government does." He then went on to denigrate Law and Eden. "You want someone really tough at the Foreign Office", he said. "I would let Eden have anything else he likes. He can lead the House of Commons and succeed the Prime Minister as Leader of the Tory Party". He also said it was shocking how the Government was being run by "the three Profs" - Cherwell, Keynes and Robbins. He wanted me to draft, in time for our meeting this afternoon, something on Imperial Preference and Agriculture. This was, perhaps, why he asked me to lunch. I did so, and brought the draft with the paper to the meeting in the afternoon. They were accepted by the others but the Beaver didn't like them. They went into our majority report. The Bank of England, who were hauled before us on the Beaver's suggestion, Law having injudiciously suggested that Keynes should give evidence, which gave the Beaver his opportunity to spin out the proceedings, made, I thought, a quite deplorable impression. Catterns, the Deputy Governor, and Cobbold came. They obviously hated the very idea of any kind of international bank. Its assets, they held, "must inevitably deteriorate", until it was "all filled up with levas and dinars - and perhaps that would be the intention". The proposed fund could not possibly be "passive", because no active-minded banker could disinterest himself in the fate of his assets. Therefore, it was inevitable that people would ring up on the telephone and advise sales or purchases of sterling. It would all, they thought, be under the influence of foreigners. They assumed that it would be located in Washington. This would mean the breakup of the sterling block and that everyone would soon "look askance at sterling". When someone asked whether they would like it to be in London and not in Washington, Catterns exclaimed "Oh, good gracious no! We don't want the thing here." J.A. thought, and O.L. and I agreed, that the Bank were totally unconscious of post-war realities, and in particular of our need to get very substantial assistance from the U.S. during the transitional period. This wretched Beaver is tolerated by all because he has this queer influence over the P.M. This has been a most intolerable week.

Cherwell said to me after the Bank had given evidence "Don't let make you feel our money is safe / Other with 'Kore people?' We both thought not."

Other incidents include -

(1) A brush with the T.U.C. about alarm clocks - they are vexed because there is a limited distribution from the B.E.C.

(2) Lunch on the 15th with Benes, who talks of his Moscow visit and his Soviet-Czech Alliance. He is, he says, very satisfied with his talks with Stalin, from whom he brought a message to Mikolajczyk that he and Stalin had drunk M.'s health, that Stalin would be prepared, in return for the Curzon Line, to give the Poles any compensation they wanted to the West, but that Stalin himself wanted to go as far as Konigsberg, and that Stalin would like to see an independent Poland in the triangle with him and the Czechs.

(3) Dine on the 16th with Warter and his wife and Mrs Maxwell. Everything is now fixed up, through H.G.'s persistent and quite tough bargaining, and in spite of the obstructions of Fletcher, whom I now always call "Burgin minor", a typical, pettyfogging little Attorney, for my statement next week, in reply to an arranged P.Q., on the A.B.P.C. undertaking to limit the number of their cinemas.

(4) Three hours meeting on the 17th with Streat and his Cotton Board Committee. This is rather dreary (but not nearly so bad as the meeting next week with the Lancashire M.P.s!) and I was wise to leave minimum prices to the end. Clamouring for that, all were united. I guide them away from offering to do spinning amalgamations themselves and get a minor commotion created about merchanting. Platt speaks a little against merchants and is backed up by Naesmith and others. Symons, one of Kenneth Lee's young men, whom I put on the Board as the second merchant representative, makes a good impression.

(5) That same afternoon Courtauld comes to see me and denounces the slow-mindedness of cotton. He is wholly opposed to minimum prices and, indeed, wants to do some price cutting himself. He ~~asks~~ asks whether I would mind if he did some anti-cotton publicity, and I say, personally and unofficially, that I should welcome it.

DIARY

18 (Friday) to 21 (Monday) 2. 44.

Visit my constituency for the first time for nearly six months. Very busy but very easy and successful, even more so than usual. Meet B.A.U.D.C. for talk on future of the area. Take them over my speech of December 8th. Sit for three hours in a room at the Town Hall receiving constituents, who are being schooled by W.N.D. to bring pieces of paper with them on which particulars of their "cases" are written out. This is now enjoined in premonitory advertisements in the local press. Very good delegate meeting with Middlewood - a very tiresome fellow, said by W.N.D. to be very disloyal both to me and him behind our backs to non-Labour people, but always very fulsome to my own supporters to my face, and a most admirable Chairman, from my point of view, of such meetings as this - presiding. After he had buttered me up, I made a long and rather good speech about the war, and the coming events, and our post-war plans, and the difficulty of getting decisions, and how far, broadly, we had got. All this went very well. Then, by pre-arrangement, W.D. brought up a letter from old Meehan sending a resolution of his O.A.P. Association protesting against the failure of the Government to give them their "Charter". (This man is the only approach in my constituency to a serious nuisance, and even he is not really serious. I am profoundly lucky in my constituents and in their reactions to me and other events of the day!) The pitch is skilfully ~~observed~~ by W.D. observing, first that this letter is really out of order, since it has not been forwarded through any local Labour Party, as it should have been, and that, secondly, it is sent not from Meehan's own address but from that of Raper, an old Liberal notorious for his hostility to the Labour Party. But, none the less, at my request and in order to enable me to make a statement, he suggests that it should be allowed to be considered. This is agreed to, and I then make a statement emphasising (1) the objectionable points in the Charter, and most of all the proposal that equal pensions should be paid to all above a certain age, whether working or not - this, I say with emphasis, is contrary to the Labour Party's declared policy of "retirement pensions" and to all Trade Union principles, since it means endangering the standard rate, as we have always claimed when, e.g., policemen with pensions are taken on in industrial jobs (this point is greeted with loud applause) - (2) expounding in some detail, with figures, what improvements have been made since Labour Ministers entered the Government, leading up to a position in which many old people are to-day getting substantially more than the 30/- a week in the

/Charter

quoted/

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Charter. I add that, though I receive large numbers of letters from the constituency, I never get one, except from Meehan, complaining of the inadequacy of the pension, and that during the three hours that I met my constituents this afternoon, though every kind of other case was put, no-one spoke of Old Age Pensions. This suggests that, on the whole, things are reasonably satisfactory and, indeed, that the position of the old people has been completely transformed since we entered the Government. W.D. then says that his experience is just the same and no-one ever complains to him about their pensions. Several people then rise, apparently intending to ask questions or to continue the discussion, but Middlewood waves them all aside and says that they have heard Meehan's letter and "our Member's statement". He is not going to allow any questions or discussions, but it would be in order for anyone to move a resolution of confidence in me and approval of my statement. This is at once moved, seconded and carried unanimously. It is then decided that this shall be communicated to Meehan and addressed to him, not at his own address, but c/o his friend Raper. What a grand party! This reminds me of an incident when I was in the coal rationing jam and a Leasingthorne Lodge had sent in a very mildly worded resolution faintly deprecating coal rationing. I was not at the meeting, but Middlewood said that this resolution was out of order because it was equivalent to a vote of no confidence in "our Member". The mover at once rose and protested that he had no such intention. Middlewood then said "In that case, it will be in order for you to move a vote of confidence in our Member". This the man at once did and it was carried unanimously, without further discussion.

Next day, on Sunday afternoon, I go to Butterknowle for a public meeting in the little Picture Hall I know so well. This little place is always very near my heart, though it is hard to see that it can have much future. An excellent and most attentive audience of about 100. It is too far off for any reporters to have followed me. I speak for an hour and a half about everything. I have my usual meetings over the weekend with the various Jews on the Trading Estate. It is most important to add to these some gentiles. There is a rumour that Courtaulds are interested and sending a representative to look at possible sites within the next fortnight. W.D. and I go up to Mascalls on Saturday night, and he, who is now one of my most staunch supporters, is very anxious to put up and entertain this distinguished visitor. This will be a good move, for Mascall is about the most lively and presentable of our business men.

DIARY21. 2. 44

Back from Darlington just in time to rush round, after a very quick lunch, to the Reconstruction Committee, where I have to open on the Industrial Efficiency section of the Steering Cttee. Report. Agreement "in principle" to Industrial Development Boards with clearly limited functions. On other points more memoranda to be written, mostly by the Treasury.

Take Walter Nash to dine at Josefs. I find he is not, as I had feared, teatotal. As usual, he talks very good sense. But he has strong "bilateralist" tendencies in trade. He talks much, and interestingly, about personalities in A. and N.Z., speaking very well indeed of Curtin. ~~He~~ says, since he became P.M., has grown immeasurably. But ~~the~~ poor man hates flying, and this is one reason why, though he will not admit it, he has delayed so long his visit to this country.

22. 2. 44

See Hallsworth alone about alarm clocks. I say that, off the record, my officials have obviously mis-handled the thing, though I shall not admit this to anyone else, and he for his part says that Woodcock much overdid his protest at the last meeting and H. told him so afterwards. I then write to Citrine a letter, to be read at G.C. next day, proposing that we should bring the permit system to an end within the next few months, all the hardest cases having then been dealt with.

I hear later in the day that there were grumbles to-day at the N.C.L. by A. Loughlin and the Co-operators owing to alleged non-consultation over repeal of Austerity. They will probably write me a grumbling official letter.

Sub Committee on Location, W., O.L., E.B., Portal, W.S.M. and myself. N. Brook and Jewkes are also there. I show much explosive impatience over our slow progress in the matter, and abuse the latest draft now before us, which has been concocted in Woolton's office. I say it is the worst draft we have had yet and is obviously written by someone with no real understanding of the subject or of the background of our discussions. I say "I am itching for decisions" but we never get them. After this we go through about half the wretched thing, and it is agreed that it

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shall be amended and shortened. E.B. has put in a paper, quite out of turn, and raising all sorts of new points, but he seems to have forgotten all about this in his talk this morning, though he is generally helpful.

P.M. to-day makes a speech of an hour and a quarter on the war and the international situation. He had said last week that it would be "the most sombre speech" he had made for a long time. But it wasn't, and it even ended with the hint that perhaps victory might be near. He had some interesting passages on Poland, Yugoslavia and Greece. On Poland he said, in effect, that we were against the Poles ever having had Vilna and that we thought the Curzon Line was just, but added that he and Stalin had agreed that the Poles should be "compensated at the expense of the enemy both in the North and in the West". It is the first time this has been so clearly stated. He also made some reference to transfers of population and declared that the Germans had "no rights" under the Atlantic Charter. This is all new - for the public - and in much firmer outline. On Yugoslavia he went all out for Tito with exuberant eulogy, brushed aside Mihailovic and made only faint praise of King Peter, adding that we should not seek to force Monarchy on any country that didn't want it. On Greece he never even mentioned the King. There was more interest, for those who know anything about such things, in his references to foreign affairs than in his references to the war.

Take the Chair at L.P. Policy Cttee., which Citrine now wants to join, with another colleague from the T.U.C. We agree to this.

Meet Lancashire M.P.s and others interested in Cotton, Woolton and C.W. being with me. Tomlinson, wearing a rather suspicious air, holds a watching brief for the operatives and for E.B. It is a most depressing meeting. These M.P.s are all dead - from the ankles up. Not one, except Shute, who is only interested in raw cotton, shows any glimmer of any knowledge of any kind of any section of the industry. All they seem to know is that there was an Act of Parliament passed some years ago, and that it is still suspended, and they would like it, or something rather like it, put in force. (A miserable Act, giving, though subject to many obstacles of procedure, the right to the industry to impose minimum prices, and that is really all it does!) I give a lead, as strongly as I can, in support of larger spinning units and of B.O.C. Neither is picked up. One or two say they are not in favour of "amalgamations for their own sake", as if this ended the matter. W. says a few words, but only vaguely.

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At the end of this performance I say to myself that perhaps W. was right in his first impression that we had better let this damned industry stew in its own juice, and look for other ways of employing our people and getting exports. Anyhow, I don't feel inclined to break my political neck over this crowd.

23. 2. 44

Meeting on I.P. Secretaryship. Make short list of six to recommend to N.E. - two unknowns, Chorley of Dagenham and Munro of Edinburgh University (the latter was thought by Laski to be "most impressive"; none of the rest of us had ever heard of him), and four well-knowns, M. Phillips, Shepherd, Reg Wallis and Maurice Webb. There was a great mass, of course, of negligible applicants and very few, outside the short list, with any strength at all.

Afterwards I hear from Windle that Durbin is to be invited to Clay Cross, on the recommendation of the N.E., to compete with various locals for the Parliamentary candidature. It appears - to my great delight - that the thing is very open. The Derbyshire miners are putting up a man but command only a third of the votes in the Conference, and there is a strong and united anti-miner feeling among the rest. The R.C.A. are putting up a rather weak candidate, and there will be a number of local rabbits. Windle, who is a good judge of such matters, thinks that, if Durbin speaks as well as he did at Mansfield, he has a very good chance. On the other hand, he is said to have spoken very badly at Nuneaton.

Meet Welsh Labour M.P.s, one of the most difficult bunches of my clients, but have a surprisingly good reception. I go over, once again, the points in my speech of December 8th and tell them something of what is already being done in S.Wales. Mainwaring, in the Chair, knows that the first sod has already been turned on the new factory site for radio valves at Trerorchy. I explain elaborately that all I can do is to guide industrialists towards South Wales as a whole. They must choose their own sites for themselves. Dagger, whom I tell that I know he "lives on a diet of suspicions", says that there is great disappointment and grumbling because they were promised a factory at Nantyglo, and then, they understand, this was changed "by a Cabinet decision". I say that I can't tell him what happens at Cabinets, but I can assure him that this sort of point would not be brought before the Cabinet! Most of the rest are genuinely interested in the method

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being followed and hopeful of its results. I urge them not to ask me P.Q.s or make too many speeches about this, since this will open me to two counter pressures, first from Lancashire, etc., who will want to be classed as Development Areas, and, second, from Birmingham and London, already inclined to be suspicious, particularly since most of the seats in the D.A.s are Labour seats and I am a Labour Minister.

War Cab. from 6 to 9 p.m. First hour on Oil. The Americans are riding a very high horse. They have decided, in spite of our very definite suggestions to the contrary, to hold (1) an early Conference at Washington (we had suggested a later conference in London), (2) with the President presiding "in the Cabinet Room at the White House", attended by a powerful team of Ministers (we had suggested preparatory discussions at official level), and (3) to discuss Middle East oil only (we had suggested a wider discussion on all oil fields, including Mexico, Colombia and Venezuela, in the last two of which the U.S. had large reserves. Their latest telegram is equivalent, it is said to-night, to demanding that we should send out a team of Ministers with a halter round their necks, like the burghers of Calais. All this is thought by some to be high-handed brigandage, and short-sighted politics, and most ill timed, coming so soon before the Great Operation. The P.M. will send a suitable reply, suave but resistant and repetitively argumentative. The Americans are being difficult all round, apart from operations, - persistently difficult over Lend-Lease. General M. wanted to go over the Channel way back in 1941, and again in '42 and '43. Now there are some faint signs of second thoughts just when we are quite determined that we must go forward, owing it to the Bear. And even now there are proposals for crossing L. of C. "France is your baby".

"Iraq, isn't that just a silly name for Persia?" asked the P.M. this evening, and pretended not to know where any of the oil places were upon the map, which had to be brought and explained to him. "We may be only poor, God fearing men, serving the Lord Jesus Christ in humbleness of heart, but that's no reason why we should allow ourselves to be knocked about."

PANDEMONIUM IN THE CABINET.

This first hour is not an auspicious opening for the main business, which is to consider the report by J.A. and the rest of us suggesting instructions to our officials in the talks with the Dominion officials, who were here on Monday (to-day is Wednesday). There is some anti-American feeling in the air which the Beaver, supported this time most vociferously by Bracken, who last time was on my side, and, in his dull, deaf, boring way, by Hudson, makes

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the most of. Clearly many Ministers, including the P.M., have not even read our short report. J.A. expounds it with heavy over-emphasised lucidity. And then the Beaver begins to shout headlines "It is a gold fund, "The Bank says it is the gold standard", "We are giving up our economic empire", "The Americans will never agree", "Let us have another committee with some new Ministers on it who know something about agriculture", and so on, again and again and again, ringing the changes, meaninglessly. Others try to speak, O.L. in support of J.A., I in explanation of the Imperial Preference clause and of Australian attempts to make a bilateral treaty with the U.S., Cherwell in explanation of the gold standard. But the Beaver claims to answer each one in turn, and goes on shouting through our speeches, and Bracken joins in: "We can't give up Imperial Preference", "What could the Australians expect to sell in the U.S.?", "Let us hear the Minister of Agriculture". Then Hudson speaks at great length, and several of us interrupt him, both the P.M. and I, saying he wants to raise the price of food rather than rely on subsidies. He protests loudly that this is "most unfair". "I have not been allowed to state my case." And the Beaver shouts "The Committee refuses to hear the Minister of Agriculture. He was not allowed access to us." The whole thing develops into the worst pandemonium I have ever seen in the Cabinet. Towards the end, four or five Ministers are often shouting at once, and the P.M., I think, deliberately allows the thing to get out of hand, explaining that he hasn't had time to read the papers, and doesn't pretend to understand it, but thinks it should be thoroughly discussed, and why anyhow should we be hustled, "just because a few officials from the Dominions are here; they can be entertained for a few days, and given drinks, and taken round to see the bomb craters." He joins with some delight in baiting Hudson, and says "Aha, so you say subsidies are no use to you? You don't want them any more." Both C.R.A. and H.M. try, in a minor sort of way, to help the thing along, and poor Cranborne, who, though Secretary of State for the Dominions, and, therefore, perhaps entitled to speak on this, has the weakest voice in the Cabinet, quite fails to make himself heard above the din. He was understood to be trying to say that the Dominions were not really much interested now in Imperial Preference. He managed to get this out after Bracken, who had been shouting very loudly at this end of the table, some of his shouts interchanged with mine, suddenly shouted, louder than ever, "Let us hear the Dominions Secretary". But the latter came out on the wrong side for him.

Then, at 9 o'clock, the P.M. said that it was clear we could reach no decision that night, but he saw no harm in this

/Cabinet

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Cabinet paper being given to our officials on the clear understanding that the Cabinet had reached no decision upon it. I said "And they can have the minority report as well." And the Beaver shouted from the other end of the table, "So it's clear these are only bits of paper - only bits of paper - they don't mean a thing. We must have another committee, with other Ministers." But by this time the P.M. had risen from his seat, and this amazing seance was at an end. Cherwell, whose remarks had been very sensible, but who had exercised much less than his usual influence - in the last resort I think the two B.s beat him down - said "I don't believe anyone outside our committee had really read the papers at all." And that, I am sure, was true. I said to A.E. going out, "If you took as long to settle foreign policy as we take to settle this sort of thing, we should be in a fine mess." It is, indeed, quite intolerable that when a committee so obviously strong and competent, judged by any standard, either departmentally or personally, as ours - J.A., O.L., myself, Law and Cherwell - with the Beaver thrown in - has made a careful report on a subject which has been before the Cabinet, on and off, in much the same form, since April, 1943, the whole thing should be thrown back in confusion, even though the great majority of our colleagues would be quite prepared to accept our views, simply because three men make trouble, of whom two belong to "the entourage". Unless we change these methods, we shall go very wrong very soon.

I am one and three-quarter hours late to dine with Hyndley, whom I find in a private room at Manetta's Restaurant. There is some bombing while we are there and at one point my host ducks behind the table, moving rather more quickly than I, who have no more ~~time to turn my head to one side~~ than time to turn my head to one side before we hear a loud crash - it was in St James's Street. We spoke chiefly of M.F.P., which H. says is a very poor show, full of intrigue. He obviously doesn't like G.L.G., who, he thinks, treated him very badly, getting rid of him at very short notice. He also thinks G.L.G. made a great mistake in not moving to the Food Ministry when offered. He says that, in contrast with me, who would make up my mind quickly, particularly on questions of persons, and appointments, G.L.G. used to wander round asking everybody and getting twelve different opinions about everything, including one from the Old Man of Churt. H. is still looking after stockpiles for what is coming and says the Americans are being difficult about this, promising certain supplies and then changing their minds.

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24. 2. 44

Lunch with Mrs P. and two Frenchmen. One, recently arrived from France, says that "the resistance" is not divided into political parties but is more prepared, probably, than we in England for large changes after the war, both in the direction of European "federation" - in loose form, e.g., unification of currency, transport services, etc. - and internally in Socialist direction, especially through public ownership of heavy industry. He thinks Germany should be admitted from the start to any new international organisation, but with very low status, this only being raised to that of other members gradually and in accord with German good behaviour. He thinks countries on the Atlantic seaboard will be much more stable and closely bound to England than anything to the east. He is not hopeful about S.E. Europe.

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Afterwards I go with C.R.A., who says that he and others to-day protested to the P.M. about last night's pandemonium in Cabinet and the impossible position in which our officials were now placed. P.M. said he thought we were really all agreed on three things: (1) no return to the gold standard, (2) no abolition, or even reduction, of Imperial Preference, except in return for sufficient tariff concessions by Americans, and (3) no increase in the price of food by taxation. He inveighed again, with great emphasis, on this third point. J.A. said that these three points would suit him and the P.M. said he would issue a short minute.

George Wansbrough to see me. We had not met for a long time. I hear that he has now parted from his second wife, shortly after she had borne him a child. H.G. thinks his private life does him no credit. He is now very active and enterprising in connection with Reyrolles and Parsons. He wants to expand in various directions from Tyneside, and tells me that he has just started a new factory at Ashington. He is also interested in a factory at Team Valley. I try to interest him also in S.W. Durham, and he will pay a visit before long to this district. He agrees with me that my present machinery for influencing location is pretty good.

DIARY

25. 2. 44

L.P.Cttee., at which it is at last agreed that we shall build at least eight, and probably ten, new large Standard Factories. If we build smaller ones, the number will be larger. These will all, I hope, go into the D.A.s. They will be a reserve against mishaps in London.

Labour Party N.E. meets to-day for ordinary ^{business} and -

26 to 27. 2. 44

- continues over the weekend. The discussion is surprisingly good and sensible. E.B. was invited but refused, obviously because he cannot trust some of those present not to leak. C.R.A. and H.M. are both there.

A good deal of talk on the Electoral Truce, for the termination of which there is still no pressure from any of the important Trade Unions, though one or two of the T.U. members of the N.E. speak in favour. The feeling of D.L.P.s is very human and natural, but in my view it is really impossible to get out of it so long as we are in a National Government. H.M., however, suggests that it might be possible for two or three candidates, all "supporting the Government" to be put up by the principal Parties to run against each other at by-elections, from which all Ministers would abstain either from speaking or from sending messages. I am myself very sceptical about this, but it is left that one or two Labour Ministers might have a word with the P.M. and his colleagues about it.

Much more important is the question of what we shall do after the defeat of Germany. There is no dissent from the view that at the first election after the defeat of Germany, we should fight as an independent Party and seek a clear majority. At an early stage in the discussion I myself support this view, but give three reasons why we should seek to interpose an interval of months - H.M. thinks an interval of a year - between the German surrender and our own election. For this there are three separate reasons: (1) because the P.M.'s prestige, though it will fluctuate up and down between now and then, will certainly be at its peak when Germany surrenders and for a short while afterwards; it would be

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suicide for the Labour Party to get into an election just then - but, for this same reason, the Tories may think this much the best time; (2) because we are bound by our Conference resolution of May, 1940, to join the Government in order to secure "a swift victory and a just peace"; it isn't our fault that things since then have not been "swift", but it is clearly part of our duty to take our full share in drawing the first broad outlines of the Peace; it is only Ministers who can do this, and the T.U.C., for example, are deluding themselves if they think that any delegation of theirs, hanging about the Peace Conference in a "consultative capacity", will count for anything; it is also important for the future that we, as well as the Tories, shall have broad responsibility for the Peace Settlement, so as to increase the chance of a "national" foreign policy hereafter; and (3) because it would be very wrong to hold a general election before a substantial number of men from the Armed Forces had been demobilised and absorbed again as civilians into the life of the community; they must be able to express their views to their friends and relatives and, e.g., to speak at public meetings; no arrangements for "absent voters" or "proxy votes" are any substitute for this; it was Lloyd George's greatest crime in 1918 that he rushed the election in such a way as, in effect, to disfranchise millions of men in the Services. Broadly, the N.E. accepts my view on all this, though the phrase "Leave the Government as soon as Germany is defeated" does hard. Nor can any thoughtful person rule out from his mind the possibility that the P.M. may not be able, or inclined, to go on much beyond the German defeat. If he were out of action, our course would be much easier and our chances much brighter.

There is also some talk of the possibility of (1) a new coalition after the next election, and (2) some "coalition of the Left" in the form of an electoral compact. As to the former, obviously nothing can be settled yet. It must depend on the results of the election itself. On the latter, there is, I think, a tendency to over-estimate both Commonwealth and the Communists. But it would be out of the question to make any formal arrangement with either of them before the eve of the election. Possibly some arrangement with ~~the~~ Commonwealth might then be worth while, e.g., leaving them undisturbed in a certain number of rural Divisions which we could not hope to win.

There is also some discussion on the connected question of the Alternative Vote. We are all against P.R., but on A.V. we are uncertain and divided. I am inclined myself to be against it, but it is worth looking at again.

On Sunday evening (27th) I go down to stay the night with Beaverbrook in his house near Leatherhead! Following our row on the E.E.P.Cttee. and in the Cab., he had sent a message conveying this invitation. It would have been quite wrong to refuse.

I arrive at 6.30 p.m. and find only Bruce Lockhart, who has been having a very bad time in hospital with some kind of skin disease. He is still pretty run down. "It is not the hard work, it's the hard worry" which makes many people ill in this fifth year. B., I am told, "is resting" on my arrival. He appears soon afterwards and is almost excessively affable. He raises, throughout my stay, no awkward questions at all. I had thought that he might launch forth on the Gold Standard or Imperial Preference, but neither of these is even mentioned; or try to pump me on the proceedings of our Executive during this weekend, but not a word on that either; or try to involve me in some intrigue against some other Labour Minister, or someone else, but not a hint of this either. On the contrary, a lot of talk about oil, and American intentions in the Persian Gulf and in Saudi Arabia, and a lot of desultory talk on other topics, and some appearance of interest in some of the things I am doing, and the promise of support on any proposals I may make for dealing with cartels. No other guests except Sholto Douglas and his wife, who arrive just in time for dinner, stay the night and leave very early. He is now commanding Coastal Command. From Fighter Command he had gone to America, but had apparently not got on very well there. Fighter Command exists no more. It has been cut in two, in preparation for coming events. We are given some very good champagne for dinner, but a ham which is served has not been properly cured. This leads to a great outburst by B. next morning to one of his attendants. After dinner we all go and look at a film, a rather crude old-fashioned story of Jack the Ripper, dating back to London in the Eighties. B.'s private cinema is filled with "staff" and, I suppose, a certain number of locals. After this, various things are discussed, including even Emerson's one good poem, which, someone not having got his glasses, I am encouraged to read aloud. After this faint literary whiff, we go to bed, not much past midnight. Quite different from the stories I had heard of people sitting up drinking and intriguing till 4 a.m.!

28. 2. 44

I come down to breakfast at 9.30 and find B.L. hanging about. His attitude to Lord B. is always rather that of servant to master, though, of course, he isn't working for him now. He

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says he does not know whether he will be "sent for" before B. leaves for London. B. has been down early for breakfast, unexpectedly, and suggests that he and I should drive up to London together. On the way he enquires about films, and Rank, and my arrangement with him, and then goes on to speak ill of the Liberals and their failure to observe the Truce. All, I repeat, most excessively affable and ending with a threat to invite me again in a week or two's time. No doubt there is some game on.

The communique issued after our N.E. weekend was most austere. "Discussion concentrated round the winning of the war and various questions which would subsequently arise." There had been no troublesome press leakage, though, naturally enough, some intelligent guesses. It was generally stated that we were all in favour of going on with the coalition till the war in Europe was won, and of maintaining the truce meanwhile, and that we were looking for younger candidates for the next election, including a fair proportion from the Services. All this was true enough. Some think there was no leak because W.A. Robinson was absent. Some even think that he not only talks loudly and unguardedly in pubs, but literally sells leaks to the press. Someone at lunch recalled a speech of his in his own constituency in which he said "And to-day there is such poverty that many mothers have not a drop of milk to give their babies and, if anyone says to me 'What about foreign policy?' I shall reply 'Not guilty'". Another tale related of him is that a colleague at a conference invited him to share a taxi from the Conference Hall to their hotel. He accepted the offer and went off to fetch his coat. He did not come back, and after waiting ten minutes, his colleague took the taxi on himself. Later, after lunch at the hotel, W.A.R. came up to him and said "Thanks so much for giving me a lift in your taxi". His colleague said "But I waited for you for ten minutes and you didn't come back, so I had to go on without you". W.A.R. said "You must have been bloody drunk not to remember that I did come with you in the same taxi. ~~What?~~"

"plead"

W.A.R. was absent this time because he is very disgruntled. His Union have decided that they will not nominate him again for the National Executive, and that, having reached the age limit, they will not run him again for Parliament. I recall other occasions when he has been a great nuisance at evening, or sometimes even at afternoon, meetings of the N.E. It has always been a bad sign when he rises to his feet in order to address us. Once or twice evening meetings have had to be adjourned, and I recall one famous occasion, when A.H. was still struggling on as Chairman of the Disarmament Conference, and W.A.R. rose and said "There is one question I

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particularly want to put to Mr Henderson. Is it true or is it not that they are all burrowing away like rabbits?" No-one understood this, so he went on to explain, "People tell me they are all burrowing away like rabbits, like bloody rabbits, burrowing away under the Maginot Line. I mean the French."

This afternoon (28th) I attend a rather successful Reconstruction Cttee. on Electricity. There is general approval for the majority plan, supported by Lloyd George, Crookshank and Garro Jones, for putting all Generation in the hands of a central authority and all Distribution in the hands of about 14 Regional Boards. This would be equivalent to turning the whole of our electricity supply into a public enterprise. This scheme is also supported by Duncan. There are the usual complaints and queries from O.L. on grounds of finance, profit motive, etc., but practically everyone else is very good, and the minority proposals of Assheton and A. Chapman for having between 30 and 40 private enterprise Companies in the field of distribution find no friends at all.

The next stage is a joint study by the Treasury and M.F.P. of the financial basis of the scheme.

29. 2. 44

Three P.Q.s on Cartels are missed, the Members not being there. This is rather a relief.

Deputation from Associated Chambers of Commerce on Reconstruction. A pretty poor lot, with the exception of a man named Maclean, who talks very good sense on exports and on the danger of minimum prices in our domestic industry. But this Association has two frightful duds as President and Secretary - Morgan and Dunwoody.

Dine, together with H.G., with Rank to meet a Greek-American named Skouras, who talks a lot about why British films don't sell in the U.S. Rather a bore. Rank thinks my arrangement with A.B.P.C. is quite satisfactory to him.

1. 3. 44

A distinctly good meeting, beginning at 9.45 a.m. and lasting till nearly 12, on Location of Industry. W., O.L., E.B.,

/Portal

Portal, Cherwell, W.S.M. and myself. Our final agreement, to be put into the draft of the W.P. on Full Employment, is very satisfactory. All our inducements for D.A.s are kept intact and it is emphasised that the Government will itself build factories in these areas. The B. of T. are to have powers to require all industrialists to come and talk to them about their plans, and to prohibit developments in "congested areas". This seems almost too good to be true, being the Barlow Ban in small and undefined instalments. It may get back at the next stage, but it is remarkable to have got the rest so far. Responsibility for administering policy on Location generally is to be vested in three Ministers jointly, P.B.T., Minister of Labour and Minister of T.C.P. They are to have a joint office for this purpose and a joint staff, and Regional Boards. Special Areas legislation is to be repealed. E.B. wastes a good deal of time pressing for a State Corporation to operate, as well as build, factories if private enterprise won't play. It is finally agreed that there shall be some "last resort" phrase in the draft, but we don't want to suggest that all our powers and inducements will be ineffective, nor to give private enterprise an excuse for not trying to play.

This afternoon a meeting with Jowitt and his and my officials on Restrictive Practices. J. is very helpful and intelligent and has focused very clearly the points for decision. It is finally left that two of ~~my~~ officials and one of ~~his~~ shall make a draft of a joint paper which he and I shall put to our colleagues.

Attend for the first time an Overlord Committee. My Departmental interest is very slight and I sit silent for one and a half hours listening mainly to a discussion about the communications of diplomats, Allied and Neutral, in the U.K.

Dine with W.A. Wells, whom we have now put on our List B. I advise him to go and see Shepherd again. He has with him Patrick Hamilton, son of the Tory ex-M.P. for Ilford. Both quite intelligent, and the latter much impressed with quality of Permanent Civil Servants whom he has met in various Departments. He thinks them much better than the business men.

2. 3. 44

Two conferences on Cotton, (1) with my officials and (2) with E.B. and Tomlinson. I feel rather stuck on this, and it is clear that Streat has completely out-manoeuvred Platt. Streat has

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evidently been whispering around to everyone in favour of his "plans", if one must call them such. He is continuing, though with my consent and knowledge, to meet M.P.s and others. Meanwhile Platt has influenced no-one and is leaving next week for the U.S.A. for two months with his Cotton Mission.

E.B., on the other hand, is full of ideas, though on quite different lines from any that have hitherto been put up. But I always find him refreshing on such topics. His plan would be (1) for the State to go on buying raw cotton and selling it at as stable a price as possible to the mills. There would be standard yarn and standard cloth, all at standard prices right up to the start of manufacture. The standard price would be both a maximum and a minimum. Manufacture would be (a) of standard lines and (b) of fancy lines. Each manufacturer might have an allocation of both (a) and (b), but might sell either to another manufacturer. There would also be equalised transport charges on (1) raw cotton from the port of entry to the mill, and (2) finished goods from the factory to any British port. There would be double shifts in weaving, and a simplification of the "wage structure".*

Much of this is sense, though controversial, like everything else to do with cotton. But when I press these two for their views on spinning and merchanting, I get them both to agree, almost without question, to compulsory amalgamations and to the full development of E.O.C.

The next step is to make a paper for my colleagues!

Visit two U.furniture factories in the afternoon, and dine with Meynell, who provides us with a very good dinner for a rather amusing company - Miss K., Evelyn Sharp, John Maud (whom it was part of the plan to get me to meet), Joad and myself. All gossip rather freely. I think it does no harm to tell Maud how well, in my view, Woolton is doing.

* (Coal and Cotton have both got a shocking "wage structure". The Cotton Lists date back to 1867, and some earlier. Coal also has a "basis" somewhere in the 'Seventies, if I remember rightly.)

DIARY3. 3. 44

Who will rid me of this pestilent pair, Sir Douglas McCraith and Craven Griffiths, Chairman and Secretary of the North Midland Price Regulation Committee?

A heavy conference this morning to discuss this, C.W., Thorpe, Helmore and Sir S.Low. The man is threatening to publish an abusive attack on the Ministry of Food for not controlling the prices of wines and spirits. He is said "to have his committee behind him", as they all manage to do. I have written to him saying that I must ask him "to refrain from publication". The M. of Food protested violently last time he exploded publicly at their expense. But, if we are to get rid of him, we must have a strong case. Merely that he published an exposure of an abuse would not do. He lives in the same house with that wretched Evershed, and Walters, a man who has already caused me a good deal of trouble in this region through his stupidity. C.Griffiths is also a bad man, a lame Welsh Australian, whose lameness warps him, and is said to be madly ambitious, and a spy for W.J.Brown. Meanwhile, silly old Low, who was partly responsible for getting the relations between the B. of T. and the Price Regulation Committees into such an unholy state when I came here (though most of the blame for this was Evershed's), reads out to-day a long screed which he has written to McCraith, accusing the latter of various forms of misdemeanour, e.g., in sending people to tell the B. of T.solicitor who is to prosecute their cases, which they themselves have recommended to us, "not to press too hard". Also McCraith seems to have been very abusive to the representatives of one of the Co-ops in the area. But none of this, even taken together, will make a strong enough case to sack him.

With C.W. and Simmonds to Olympia, where they have quite a good show of the clothing for demobilised men. It was for the sake of this that we repealed the Austerity regulations. It is all well organised and the quality of the clothing is good. I notice, with a slight uneasiness, large stocks of shoes laid out.

Sir F.Platt, who is leaving for the U.S. with his mission of investigation, comes to see me. I think he would rather like me to say that I would prefer him not to go. But I shan't. There is nothing more, for the moment, to be done about cotton, until I have sounded my colleagues on some sort of plan. Platt will be away for nearly two months, and I daresay that nothing much will happen in his world during that time!

/A.O.

-2-

A.O. and P.L. see me about the Dominion Talks. They must say something next week on our attitude to Imperial Preference. The whole of this is bogged in the Cabinet, but they will draft something which P.L. might say in opening the discussion. They are most awkwardly placed, through no fault of their own, following the quarrels and indecisions of Ministers.

To W.L., for the first time, Mrs S. says, for seven weeks.

4 and 5. 3. 44

One notices in the country, thinking B. of T. thoughts on battery shortage, how the evenings lighten. This is a much less jejune thought in war than in peace. There is some sun. I sleep a lot and finish my redraft of "International Post-War Settlement". But, as regards "Full Employment", my other job for the L.P., I find the draft by D.J. and H.G. so frightful that I just can't do anything with it.

Therefore, I ask E.D. next week to try his hand, which he does, with some success, though briefly. We all know pretty well what we want to say on F.E.; the trick is to say it well.

The American Army have poisoned Mrs Shepherd's goats. The two big ones died in great pain. Their tongues were swollen and discoloured. It seems that the Americans fed them on bits of my yews, not knowing that this was poisonous to all stock. So Mrs S. has carried off the two little goats out of harm's way!

The place is getting fuller and fuller of Americans. At night their aircraft are a beautiful sight, flying round in formation with red and green lights. "Quite like fairyland", the children ~~say~~. But the troops are apt to knock up people's houses at 4 a.m. and ask for water, which some people find a bore, and they drive their jeeps everywhere and are said to be getting very bored with their long training.

I get, for once, a little exercise and do some digging and wheeling, which leaves me feeling a little less paunchy than before.

present with me

(and want the women
to be in new factory
than the men in the pits.
won't earn better wages
to be in new factory
than the men in the pits.)

6. 3. 44

I am now taking quite a few new factories into the three main D.A.s. But the difficulty, and the slowness, is illustrated by the case of Treorchy. Three new radio valve factories are to be built, and I have got it agreed that one is to go to Scotland, one to the North-East, and one to South Wales. Within these areas the firms concerned may, within reason, choose their sites. In South Wales Cossors, rather to my surprise but quite to my delight, chose a flat piece of ground more than half way up the Rhondda Valley at Treorchy. Bulldozers arrived and excavations began. It is to be a rush job, since more valves are badly needed for the Forces, and it will be a good post-war proposition. The local people are all delighted. W.Mainwaring, M.P., is friendlier than ever. Then, suddenly, W.M. writes to say that there is great local indignation because it is learnt that the local Colliery Company - the Ocean - are pulling strings with M.A.P., and M.F.P., to stop it, on the pretext that they plan to use this ground - the only ground available - as a recreational centre and a playground for the children of the Rhondda. This drives me nearly mad. It is a most bare-faced effort by these unspeakable coal owners, who have reduced this whole area to misery and dereliction, in addition to spoiling its natural beauties, to stop the creation of any alternative employment being found for the men, youths - and even women - of this valley. They know that, if such alternative arrived, no-one will go down their damned pits any more, unless the whole miner's life is changed for the better. We shall have this sort of impudence in every mining district where we introduce - as I plan to do in a great number of cases - new light industries. The coal owners have let the long years pass, including the years when all the men were out of work, without using this piece of ground for any purpose, though they refused some years ago to sell it, because, they said, they might want it for "industrial development". I find that the M.A.P.officials, locally and at the centre, are quite sound on this, and that Cripps has sent to that old humbug Lord Davies, who has written to him, a firm reply. I then write to W.M., and have a letter sent to his Town Clerk, who has also written to me, a letter of reassurance. All the local people, except the owners' agent, are mad keen for this new factory and think they see at last a hopeful change in the industrial prospects of the Valley. And then, late one night this week, Cripps sends me another letter from Lord Davies, mixing a lot of sanctimonious humbug about recreation and planning with a hardly concealed protest against anything being done to make it more difficult to get labour, particularly young labour, for the pits.

/I ring

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I ring up Cripps and am pleased to find that he is standing quite firm. Some day I shall let loose this story. (I heard no word from M.F.P.; I would have kicked them hard if I had.)

A depressing conference on Cotton with all "the officials concerned" and Sir T. Barlow. I tell them some of E.B.'s bright ideas (see 2.13.44). None of my officials seem to like any of these. So I shall just have to think it all out for myself and put in a paper to my colleagues. I don't intend to break my neck over Cotton. But it is deplorable that there is so little light in Lancashire.

C.W. asks to be in on my talk this afternoon with A.O. and P.L. They will have to make their bricks without straw in to-morrow's discussion with the Dom. reps. on Preference. P.L. has a carefully prepared statement, which seems to say a wonderful lot, considering the difficulty, and we go through it, C.W. suggesting and I quite willingly accepting - the officials a little less willingly - the insertion of some passages making it quite clear that we are not proposing the reduction, much less the abolition, of Preference, but that we would be willing to consider reduction, provided we were getting a real quid pro quo, not only in the U.S. market, but elsewhere in the world, in wider export outlets. It is clear that many of the Tories, including many, such as C.W., who hate and try to keep clear of the Beaver, have been much excited over the Preference developments, and that Law had got himself quite on a lonely flank. C.W. had even written to A.E., saying that he thought Law was getting it all wrong. I fear that, whatever may be said now, the prospects of really pulling off a Commercial Union, such as we have been speaking and writing of for more than twelve months, is now fading. The American elections will stop everything now till November. And then?

Dine with G.J., whom I had not seen for some weeks, in their flat. Also present C.J. and Oliver Harvey, who is, I think, finding his job rather heavy for him. He is not only King of Poland but King of Algiers. He was very much impressed on his last visit to Moscow by the tremendous developments of every kind. He and I have always both been, with obstinate persistency, very eager for close understanding with Russia. He fears that, if we make a mess of this, we shall find, not so much a hostile power in the East, ~~as~~ an enormous Sphynx. We shall never know what they are thinking, nor hence what it would be prudent or practicable for us to do. G.J. remarks with some surprise that I have put Somervell to represent the Board of Trade, not only on the inter-departmental committee for the Armistice and Post-Armistice control of Germany, which is important, but also on his Committee to Decide the Future

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of the World. He had been hoping they would get P.I. I say that, as the thing gets more important, I may change, but that, in any case, he had better give me a tip when anything very important is coming on, and I will see that S. is properly instructed.

7. 3. 44

Progress talk with officials on P.M.'s Reconstruction Directive. A good deal has been done, but we are held back at a number of points by the slowness of Ministerial and Inter-Departmental Committees.

War Cab. G.L.G. has a proposal for beginning to tidy up the "wage structure". It goes a little way in the right direction and we all approve. Then a long wrangle on Relief. Everything, it is becoming more and more clear, will be very short. The Combined Boards will have the hell of a job in allocating supplies, and there is to be a covering letter from the P.M. to Grigg making clear that agreement on the proposed scheme for the Military Period, with its tentative estimates, is conditional on our own U.K. import programmes being safeguarded. Otherwise, it is argued for the thousandth time, we may find the Americans lining us all up in a queue, along with the Chinese and the Indians, and telling us just what we may have, (I hear two days later from one just returned from Eire, that there are notices up in all the *Dublin* hotels and restaurants saying "Eat more Eggs".)

Dine with Pooley. Very friendly and rather intrigued to hear just a little about a Cabinet Minister's life. He expects they will want him to be Master of the Company next year, when he has retired from the Clerkship. He asks whether I could be one of *his* Wardens. They only meet, he says, normally, once a month. I say it would be fun, but may be difficult, and I would like to think about it.

8. 3. 44

Lunch at Drapers to entertain Winant and a number of American high officers. W. is still quite a pathetic public speaker. He gives an impression of panting and inarticulate terror, combined with the highest moral idealism.

Receive the T.U.C. Reconstruction Committee, at their request. I had been prepared for the hell of a grumble, but it doesn't come. I sit Citrine in the easiest chair, give him a cup

/of

of tea and a little flattery, and all goes beautifully. Deakin and John Brown are the other two principal visitors. At the end, they say they feel that they have been told a great deal, though, in fact, I have told them practically nothing which has not already been said in Parliament and in the press. They would, however, like a little more regular talks with some of my officials, and I leave it that Citrine and I will fix this.

Nearly two hours, 6.45 to 8.30 p.m., at Preparations Committee at No.10. Nothing remotely touching the B. of T. arises, and there is no call for me to say one word. But the room is crowded with Ministers of all shapes and sizes, the three Chiefs of Staff, and a number of other uniformed and non-uniformed official persons, including "C.", whom I have not seen for years, and that wretched little Barbadian, Newsam, who is obviously terrified out of his wits by having to address the P.M., in the absence of H.M. There are many hours of wasted time in Ministerial life - nearly all in colloquy with colleagues.

Dine with Phil at R.A.C. to meet Weizmann and Bakstanski. I all but tell them that I have drafted a very hot paragraph for the Labour Party on post-war Palestine. I hint as much on leaving. W. is very conscious of the influence of the Arabs in the Middle East itself, and of the hostility of British officials, and especially of Moyne, who is still in Cairo. Over here the P.M. is very friendly, and so, he knows, is the Labour Party. He met the P.M. the other night, who said to him "We agree so completely that there is nothing for us to discuss. I am on your side; the Labour Party is on your side; Amery is on your side. What more do you want?" W. is sure he is sincere, and, of course, preoccupied. I said that we were all preoccupied. W. understood that there had been "some discussion" in the Cab. the other day on Palestine. I said he must not take too seriously rumours of "some discussion". Much of this was only a desultory five or ten minutes' exchange of banalities, resulting in nothing even faintly approaching a "decision".

He is also very full, to-night, as I have known him on previous occasions, of his chemist's plan to turn sugar and sunlight into anything you want, e.g., especially oil or rubber. But the oil Companies, he says, are sabotaging all this. There is no reason why the whole of Africa, where sugar cane would grow like a weed, and where there is always sun, should not become a great factory of synthetic products. He would like to start a "pilot plant" somewhere in this country to show what can be done by his methods. I ask him to let me have a note of this. He says he has

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also talked to E.B. about it, and E.B. gave him his private address to send his memorandum to, not wishing it to go to the Ministry of Labour.

9. 3. 44

L-see me
Kulski brings Nowak, of the Polish Underground Army and before the war a teacher of Economics at Poznan University. These are very brave people. They are sabotaging much German transport by rail and road, especially aircraft parts. They are also distributing - and this may be a good deal less useful, though they love doing it - quantities of Underground newspapers, including some in German. In the East, he complains, the Red Partisans are not co-operating with their bands at all. They are dropped by parachute and, he says, loot and burn mercilessly. I suspect there is much exaggeration in all this. But clearly there is, in present conditions, no real co-operation. This is terribly sad.

Lunch with Vienot, with whom is Boris, who came to see me just after I went to M.E.W. He was once Blum's Private Secretary. He is intelligent. V. is very full of the tardy and partial recognition of the National Committee. He knows that it is the Americans, and not we, who are to blame. He has been ill again, and is clearly not too happy here. He says he has no staff, no experts, though he would like to have talks with my people, which I say I should be very glad to arrange, on post-war trade.

*He still speaks no English.
This is very stupid of him.*

10. 3. 44

Crossman to see me. He limps a bit and must not stand long, nor work more than half time. Otherwise he has made an amazing recovery. He wonders whether it is worth his while to be Principal of Ruskin, if offered it. I say I think not. He thinks he could win Coventry next time, redistribution or not. But he would like to be something else than an M.P. I say that the H. of C. is such a blind world that he would clearly come to the front. He has been asked to join the staff of the Observer. This is now run by David Astor. He would prefer it to the New Statesman. But this would be after victory in Europe. Now he is working with the Americans on P.W.B. He will cross when Ike crosses. The latter wants, C.thinks, to cross as soon as possible so as to be free from undue interference by our own P.M. and others. C.thinks that getting on with Americans is frightfully easy, if only one will

/talk

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talk quite frankly and not give the appearance of being too clever, but very few English seem to have achieved it. Ike has set a wonderful standard at the top, but as soon as anyone gets mixed up with "government", good relations seem almost impossible. I tell him a bit of our conclusions at our "private" N.E. week-end. He doesn't disagree. He is, as I expected, rather concerned lest there should be too large a Poland and, in consequence, too revengeful a Germany. I say that, as he knows, Stalin wants Konigsberg and that I would give the Poles all the rest of East Prussia with Danzig and all Upper Silesia, but, in their own interests, not much beyond. He thinks this would not be too bad.

Lunch with Maillaud, who is lately back from Algiers. He has collected a funny party including that old bore Percy Harris; also C.Chancellor of Reuters, and a Frenchman, who speaks even better English than Maillaud himself, in a Captain's uniform. They think the trial of Pucheu has been ill-managed and that it would have been better to hold him till they were back in France and could get all the necessary witnesses. As it is, he thinks the case may break down for lack of evidence, and it will have a very bad effect if P. gets off. On the other hand, if he is convicted, it will seem that the trial is purely political, and due to pressure from Communists and others.

especially An interesting conference on the I.C.I. dossiers, left the other day by Melchett with Hodgson, when the latter had invited him, on my authority, to come and talk to us about the American "complaint". I am quite clear that there is enough here to make it my obvious duty to hand the papers to the Attorney General, for him to consider whether there should be a prosecution. Gregory and Carter, two officials in my T.W.E. Branch whom I had never seen before, have written very clear and sensible minutes, and both take the view that there is a p.f.case. In particular, some of the high officials of I.C.I., *particularly* a man named White, who was head of their American business in London, though now in the Forces, has written a number of most improper letters. It is clear, as both my officials point out, that I.C.I. were thinking, from the outbreak of war in 1939, not of their patriotic duty but of what would be profitable both during and after the war. Hodgson and Low, particularly the latter, take a less serious view than G. and C., but I shall now send to the A.G. all the papers, including, in particular, the minutes by the two last-named, and a covering minute by me, which could be quoted or published at a later date.

/A lot

A lot of this stuff will be dragged out in due course in the U.S. and we may well be asked then what action we took. Prudence, therefore, in addition to public duty, requires me to take some definite action which can be quoted hereafter. Low would have preferred to send the papers himself to the D.P.P., but I insist that the thing must be done Ministerially. He would, I think, have watered it down a great deal more than I shall do. In fact, I shall water it up. My relations with MacGowan are a little odd. We always greet each other most jovially. There has been a lot, of course, in the press against him, and he has been writing and speaking more than is perhaps wise from his point of view. But, being with Levy and Dreyfus of Celanese at lunch on Tuesday, I hailed MacGowan and said "Hallo! I thought you were in prison." All this is carried off as a joke on both sides. If he really were marched off between two policemen, I am not quite sure how he would feel towards me.

(See 754 Kinman 1935)

Another rather depressing conference on Tinsplate, with Palmer and Cunliffe, who broke to the owners this afternoon that I was not prepared to sign the ~~order~~ ^{order} whereby, if the Treasury had agreed, the owners of a lot of junk, in the form of derelict tinsplate works not even fit to be used for storage, would have been entitled to milk the taxpayer between half a million and one million pounds, with no prospect whatever of any real reconstruction. Everyone is said to agree that we could have several large and up-to-date strip mills, even better than Ebbw Vale, erected in S. and W. Wales, but these blasted people have made no preparations and were said to be almost in tears, and utterly dispirited, and quite unable to think any more about reconstruction, when they were told this afternoon that I refused to sign the ~~order~~. It is suggested that I should see a few of these creatures myself. I will, but I shall be disposed to speak to them rather plainly.

Certificate

* I find I exaggerate here.
 They have gradually reduced their claims. Now
 they want to raise £ half a million = Levy - 15%
 to be free of all taxes.
 to count on a charge against 1

DIARY13. 3. 44

Forres reports on his visit to Argentina. They have achieved practically nothing, and the Argentines have them in their power, since the Mitre Law operates in a few years time and, from then on, they may be taxed to death without redress.

This morning I explode over the incident of the draft of the Location paper mentioned later, and write a furious minute to A.O. I am very fed up with most of my officials on this subject. They give the impression of wanting only to dodge future responsibilities. They have no "fire in their belly" over this.

This afternoon another dreary meeting of the Reconstruction Sub. on Town and Country Planning. Finally it is agreed that W.S.M. shall try to draft heads of a Bill instead of a long string of General Principles. Frightful quibbles to-day over the meaning of "based on the 1939 ceiling". W.S.M. has made a frightful muddle of all this. His own Scot's lawyer's mind moves tortuously in any case, and his officials have been scratched up from anywhere. (C.W. said two days later that we might have let him have Somervell. I said I would have been delighted.) Two days later, the P.M. being at last incited to take action over this whole question, talks very good sense at the Cab. "Why cast a shadow over all the land in this island when you only want to develop or redevelop a very small proportion of it?" A most sensible question. We should surely go ahead now with a simple Bill empowering Local Authorities or, as some propose, a Land Commission, to acquire all land in Development or Redevelopment Areas at prices not exceeding - and they may well be below - the 1939 level (allowance perhaps being made for the change in the value of money), and leave all the tangle of "development rights", etc., to a later Bill.

There is to be a debate in the House of Lords on this, started by Latham. The P.M. urges Woolton and Beaverbrook, who are to speak for the Government, to stand quite firm and say we have nothing more to tell him. Wait till after Easter, and then we will announce our decisions. The P.M. had wanted to say "After Easter and before Whitsun", but some cautious people made him drop the second half of this.

Call on Simon, who is accompanied by a queer ape-like creature who, I learn, is Sir Claude Schuster. It is about my proposed enquiry into Patents. He is not ill-disposed and admits

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that there is a case now for enquiry both into procedure and the law itself, especially as to whether there is sufficient protection against the abuse of monopoly rights and sufficient encouragement for the use of new ideas. I ask him for a Judge as Chairman and name Luxmoore. He says the latter is rather ill and could doubtfully be spared from the Court of Appeal, but he will make enquiries. A week later he writes to say that Luxmoore cannot be spared, and anyhow isn't strong enough to do it, and suggests instead Kenneth Swan, whom I invite to see me.

14. 3. 44

On the Bench to-day A.E. says to me "A fine thing! The same day we read in the press that Stalin is exchanging Ambassadors with Badoglio, we get a telegram from Roosevelt saying he has finally made up his mind that Italy must at once become a Republic, and both without any previous discussion with us!"

This afternoon I finally see my Post-War International Settlement document through the International Sub. Only small amendments are suggested. Phil and Harold Clay, the two likeliest critics, come in late when we have finished this item.

R. is in London to-day and we speak of her post-war plans and the various ways of going to France. I say I think she should not have anything to do with U.N.R.R.A., but that she should let me and others pull strings to get her some special position. She doesn't really much like this way of doing things. But I think it would be best. She is going on to dine with Viénot.

I have Durbin to dine with me, and we go over the line that he should take at Clay Cross. We think he has a fair chance, though the ~~odds~~ odds will be against him. (This turned out to be a complete fiasco. Most of the delegates were only interested in how much money the candidates could put up, and lapsed into apathy both before and after statements on this subject. E.D., following my advice, named no figure, but was vaguely encouraging. They didn't think this nearly good enough, in view of firm offers both from the Miners and the R.C.A. These two were left in to the last, when the former got it. This is very disappointing, and, indeed, infuriating. But it is very difficult to see what to do.)

Earlier to-day I talked to C.W., who said that he thought that, if anything happened to the P.M., a great many Tories would

/much

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much prefer J.A. as his successor to A.E. They think A.E. much too specialised on foreign affairs, and much too young, and much too "spoilt darling of fortune". I think that, in a Party election, we should do much better against J.A. than A.E. He is such a dull dog, and dullest of all on the air.

Jowitt says that he thinks our draft paper on Restrictive Practices is quite the worst paper he has ever read. I said I quite agreed and had myself blown off about it. It is largely concocted by Miss K., who can no more draft a document suitable for Ministers than I can sing a solo. I have said this to several people. When I was young they tried my voice, some man striking the piano first here and then there, and, after a few shots, he stopped and said "You have a very strong voice but absolutely no ear." Since then I have only joined in choruses. I am not at all ashamed of this particular disability, nor have I been seriously handicapped by it in life. I tell several people this in relation to Miss K. and hope it may be passed on. I have given instructions that D.J. is to redraft the whole thing in a cleaner, crisper and more challenging way.

15. 3. 44

Nash to see me and talk about N.Z. terms of trade, which, he says, have moved greatly against her, so that he wants some compensation. The Treasury has, till now, been sticky, but, as I learn a day or two later, they are now prepared to credit New Zealand with three or four million pounds to be used after the war.

Attend an afternoon party at Buckingham Palace.
Frightfully boring!

Discuss alternative ways of taxing cars with Sir W. Palmer. This man has a clear brain, a soothing manner and a long experience. I rather like him.

Dine with Beaverbrook to meet two Republican Congressmen, Baldwin from New York State, and Vorrays from Columbus, Ohio. Also present Ronald Tree, who pretends to be a very advanced "young Conservative". The two Americans are rather slow but apparently well disposed. (I form a worse opinion next day of V.)

DIARY (contd.)

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16. 3. 44.

Lunch with B.Lockhart to meet Benes, who talks of his plans for post-war politics in C.S. P.R. is to be abolished, and there are only to be three Parties, the Right, the Centre and the Left. The Left is to include, for a start, the two Socialist Parties and the Communists. The latter, therefore, cease to exist as an independent Party. If they misbehave, the more moderate Socialists will join the Centre and the Left will be sunk. On the other hand, if they behave, the Left will probably govern the country. He explained all this to the Kremlin and it was well received. When they invited him to a State Banquet, the Russians asked whom he would like to have invited too. He suggested various names and then they said "What about the Czech Communists here?" He said he would be very glad if their leaders were invited too. So three of them came, and afterwards they called personally to thank him, because, they said, they had been in Moscow many years but had never before seen Stalin or been allowed inside the Kremlin.

An afternoon with Tinline; Colonel Bevan of Briton Ferry, H.E.Lever, a thrustful, sinister Prudential figure, now associated with Richard Thomas, Leighton Davis of Baldwins, and two solicitors. I chide them with having done nothing about reorganisation and, as a subsidiary point, for not having consulted the Unions on redundancy plans. It was left that they should make a Progress Report on re-equipment and talk to John Brown and Arthur Deakin. Then they were to see me again. L.D. said they still don't know what the Government export policy was. I said it was very simple. We should have to export more than pre-war, and tinline should do its part in this. He said this was quite new. I said it wasn't. Leaver at one stage seemed to suggest that R.T. might go ahead and build a new strip mill on their own. I did not react adversely to this. It was clear that not much love was lost, even yet, between R.T. and Baldwin's and the Independents.

Thence to cocktail party for Dominion and other officials, who have been taking part in the monetary and trade talks. I act as official host and the party goes very well. These Dom.officials look quite a good lot. Next week they will produce their report on the Conference.

Dine with Law to meet, for the second night running, Representatives Baldwin and Vorrays. Also present J.A., trying hard to be agreeable through his mask of pomposity, C.W., H.J., and Jim Thomas. I think we feed these American visitors too well.

/Vorrays

Vorrays bored on about the objection of his electors to furnish food on Lend-Lease. He should have been given a very bare ration.

17. 3. 44.

Sir George Nelson calls, at his own request, to tell me that he is resisting, on behalf of the F.B.I., the proposals of the B.E.C. for a complete amalgamation and for a Council with powers to issue orders to all British employers on any matter of "general policy". He regards this constitution as "Fascist" and is resisting it. He is willing for a joint committee, and offices in close proximity, and to let the B.E.C. have representatives on all F.B.I. Committees and to see all important papers. I encourage him in his resistance to the other plan. We agree that it would never work and that its publication would be the signal for a violent attack on British employers generally. He says the B.E.C. goes much outside productive industry, including ports and harbours, gas, laundries, etc. Their plan, he says, is Willy Weir's. He said my brother-in-law had refused to discuss it with him, protesting that he had not been consulted by his own people. Very difficult! One of the reasons put up by Sir H. Bland in writing to Nelson was the declared intention of the I.L.O., with British Ministerial blessing, to extend its functions to cover "economic" as well as "labour" questions. I said I didn't think this would mean much in practice, and Nelson said that he thought there was no more case for a complete amalgamation of the two bodies than there would be for a similar fusion of the Board of Trade and the Ministry of Labour. I said I quite agreed and that no-one had ever suggested the latter.

To keep him sweet I told him, in strict confidence, that some Indian industrialists, including Birla, were soon coming to this country and that there had been some further private talks between officials with the Dominions on trade questions. I said I would tell him a little more, in confidence, when these talks had gone a little further.

Lunch with Mrs Phillimore, where Hildred, now D.G. of Civil Aviation, made a very good and sensible impression. He would welcome talk and publicity in favour of an international authority to deal with C.A. and thinks that we shall come to this in time. But, for operational reasons, in addition to political objections on which he does not claim to speak with knowledge, he thinks we cannot do this in one bite. He would like to keep the Empire air routes, possibly letting in the Dutch and the French, and crossing Palestine via Lydda rather than Egypt, and, in addition, to have some kind of

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international Regional plan in (1) Europe west of Russia, (2) the Middle East, and (3) the Far East. The Americans, no doubt, think they are going to dominate all the air everywhere, but it is absurd for us to talk as though we had no prestige or bargaining power and could be simply "rolled over like a log". Nor are the Americans at all happy about the future, nor are their various vested interests at one. Their sixteen internal lines don't love Panam, and all are rather jealous of our skill in design. We invented the Spitfire, the Mosquito and the Lancaster, and there will not be so many long distance civil aircraft required after the war, even allowing for great expansion, as to justify mass production methods, except, perhaps, for air taxis and small private planes. He also spoke most interestingly about the helicopter. The latest type can come down in the street or on a small flat roof. And it can hover happily at any height, and land at one mile an hour.

He gave an account of the methods of Panam, including a summons by a Mrs Alexander, wife of one of the Principals, of 40 young men to her office, each of whom was told off to pay attentions to some particular Senator, to wine him and dine him, to play golf with him and bridge, taking care to lose large sums. Thus was the Senate squared. One of my M.P.colleagues - I think Bellenger - said regretfully, "No-one does that sort of thing for us here."

To W.L.

DIARY18 & 19. 3. 44

At W.L. Write the first half of the Labour Party declaration on Full Employment and Financial Policy. It is extraordinary how little use most of the drafts made by other people are. I must try to complete this next weekend.

20. 3. 44

Back from W.L.

Receive W.J.Rose, now Head of the School of Slavonic Studies, who wants me to send an encouraging letter to a conference where business men will be urged to encourage their young men to study these languages. I say I most certainly will, and we talk a bit about the School. Rose is very sensible. He would like to get a real Soviet citizen to be Professor of Russian. But this seems difficult to arrange, though he is still trying. I said that if I had my life over again, I thought I should spend a large part of it studying Slav languages, literature and history. And so I often feel I should.

Opie to dine. He is a malicious little man who speaks ill of all his colleagues in Washington. He talks some sense, however, on the Article VII talks. There is a danger that if we show signs of cooling off now, the Americans will take it very badly. I suggest to him that what is wanted is a short, emphatic and obviously quite personal message from the President to the P.M., saying that we must get a move on. The President, he thinks, would like some decisions in the international economic and financial field to use in his election campaign.

21. 3. 44

My P.Q.s go over nicely, as usually now. A little fun about McCreath. I shan't pursue this man, nor his Secretary, just at present. Some of my officials give me bad advice on this, always trying to hot the thing up at the wrong moment and to take violent measures which would be difficult publicly to defend, even though these two chaps are prime nuisances.

/Preside

Preside at L.P. Policy Cttee. this afternoon and welcome Citrine and Woodcock, who come on as representing the T.U.C., at their own suggestion. A pity they don't send a member of the G.C. instead of two officials.

Make a speech to-night, not very prepared, at the Inter-Allied Friendships dinner, with Wickham Steed in the Chair, with the party apparently consisting, in almost equal thirds, of Poles, British M.P.s, and persons connected with the Board of Trade. There are a few other foreigners, but no Russians or Americans. I dilate on the greater importance of economic, as compared with political, post-war international organisation. I.L.O., U.N.R.R.A., P.O.F.A., etc., rather than another League of Nations, with all its palsied platitudes about peace, and all its rambling rhetoric about the rule of law, but with no armed force, and no common will, and with U.S.A. and, except for a brief period, U.S.S.R. outside its membership, and with neither Germany nor Italy trying to be loyal members. I also denounce the financiers as being responsible for nearly all our ills, the workmen and most of their employers being innocent victims of financial mistakes. Van Zeeland is sitting on the other side of Wickham Steed, but he has lost his voice and cannot reply.

22. 3. 44

I get a letter by the first post this morning from Mrs B. saying that my mother is very ill indeed and is not expected to live long, and that last night she was rambling about me and others of the family. This is a very bad day for such a crisis, since it is a National Executive, morning and afternoon, including the election of the new Secretary of the Party. But I motor down in the afternoon (I should have had to do this anyhow, since the line from Waterloo to Windsor is blocked following last night's air-raid). Mrs B. is getting very blind and very deaf, but has two other people helping her, a nice young V.A.D., Miss Dickie, and, for part of the day, the District Nurse. My mother has only been in bed for a few days and, indeed, wrote me a quite coherent letter, with no mention of illness, on the 14th, i.e., only 8 days ago. She had had a bad bronchial cough which had somewhat tired her, and, as Mrs B. explained, Attlee (the doctor, a cousin of C.R.A.) had found, when he examined her a few weeks ago, a lump in her left breast. But it was giving her no pain and was not growing, so, having regard to her age, after an examination at the hospital they decided to do nothing about it. She is now suffering, as Dr A. told me when I went to see him this afternoon, from "senile heart" and there is just nothing

her/

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to do except to wait, and to keep her out of pain. I went up several times to see her to-day, but there was no sign of recognition, either by sight or hearing. She was quite unconscious, breathing very heavily, coughing a little, looking quite waxen. (Looking at this pallor, I remembered a passage I wrote in "With British Guns in Italy" on the colour of those very near to death.) I can't believe that she can live much longer. But she is making a peaceful and painless end and she has had twelve and a half years of quite happy widowhood - a good deal happier, indeed, than the later years of her married life. It has helped happiness that she has been well looked after by Mrs B. and various servants and that she has combined great physical toughness with low mentality and very little imagination. She has not been really "worried" by the war and she has had enough small things to interest her locally - the Parish Church, the local Savings Group, the trees in her little garden at the back, etc. She has out-lived her sisters and all but one of my considerable army of uncles. Only my uncle Llewellyn will survive her. Last December she was 80 years old. The longer my sister Georgie can be kept out of all this, the better. She would only make a fuss and be stupid and pompous and jealous. Mrs B. wrote to her a week ago that my mother was ill (Mrs B. says she also wrote to me, but I never got the letter). Dr A. also wrote to G. before he took my mother to the hospital to be examined. Mrs B. has had no word from G., nor has she communicated with me. But, since we had a certain difference of opinion early in 1932, we have had no direct communication. At some moment I shall have to tell her what I am arranging, but not till death has come.

At to-day's N.E. we have the usual fidget on the Electoral Truce. After some discussion it is decided that G.R.S. shall approach his opposite numbers "to consider the operation of the E.T." This is quite harmless and will take more time. We are playing out time on this, before the Second Front starts. Then all this triviality will be forgotten. My document on International Post-War Settlement should have been distributed to-day in galley proofs. But these have not arrived, and it appears that the printers were blitzed last night! So we shall have to have a special N.E. a fortnight hence to consider this one item. This is rather a pity, for it is likely to be more closely examined than it might have been to-day, run through with other items.

This afternoon we chose the new Secretary. Right up to the last moment there were faint intrigues going on, with which Tom Williamson and Harold Clay were associated, to try to put the whole thing off and carry on with Middleton, at least till the end of the war!! But no-one, when it came to the point, dared propose

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this, though Clay said, before we began the interviews, that he supposed this "didn't rule out second thoughts".

We interviewed successively: -

Chorley, unknown to any of us except John Parker, a Civil Servant in the Land Registry, but with a remarkably good record in local government and educational work in Dagenham and on the Essex County Council.

Munro, a Scot with a good presence, graduate of Aberdeen, likewise unknown to any of us except Laski, who had met him once, with a record of local government work in Edinburgh, but now engaged in publishing in the Home Counties.

Morgan Phillips

Shepherd

Reg Wallis

Maurice Webb

M. Phillips makes an unexpectedly good impression, expounding his views clearly and persuasively. Shepherd is rather stuck when it is pointed out that he would only have three years of office, being 62. He says that his appointment must be regarded as a "short-term appointment but not for a short-term objective". Wallis tells us, rather too emphatically, that he was "the bad boy" at the last Conference of District Organisers, desiring, apparently, to bust the Truce at once. Webb, who insists on addressing us standing, waxes more rhetorical than any of the rest and doesn't, I feel, turn any votes in his favour by his slightly declamatory manner.

We then vote. Poor Phil, who, as George Dallas, sitting beside me, says, "always thinks a meeting is wasted unless he has made a speech", asks rather plaintively, "Shan't we have a discussion before we vote?" To which Ellen firmly says No. And what use would it have been anyhow? The first vote is:-

Chorley	-	0
Munro	-	2
Phillips	-	6
Shepherd	-	6
Wallis	-	2
Webb	-	11

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-5-

I am surprised that Webb should have got so many, and that Munro, quite unknown, should have got even 2. We then eliminate Chorley, Munro and Wallis. Sam Watson, who, I know, is very pro-Phillips and anti-Webb, grunts that we ought now to vote on who goes into the final against Webb. But this is not correct procedure and someone says that anyhow the next vote may settle it. But it doesn't. We get -

Phillips	-	9
Shepherd	-	7
Webb	-	11

That is to say, of the four votes released, Phillips gets 3, Shepherd 1, and Webb none.

We then eliminate Shepherd, and Sam Watson and others smile broadly, and with justification. The final vote is -

Phillips	-	15
Webb	-	12

That is to say, of Shepherd's 7 votes, Phillips gets 6 and Webb only one.

I vote throughout for Webb, though without tremendous conviction, and conscious that he would have been a great speculation. He had his solid cohort of supporters, but the majority were clearly determined not to risk him. He has succeeded in making himself very unpopular.

M. Phillips is 41, so that, barring accidents, he can, if he chooses, go on for 24 years! Solemn thought! Within his limits, he is supremely competent. He has been a first-class Secretary of our Policy Committee. He understands how to make a memorandum and to guide discussion and to state a case. But he is not a commanding personality. He is not outstandingly intelligent. And he is very Welsh, in the derogatory sense. He is, I understand, a terrific intriguer and without deep personal loyalties. But he may grow, and he has a wonderful chance. Anyhow, the thing is done and we must make the best of it.

23. 3. 44.

See Kenneth Swan, who is quite pleased to be Chairman of my Patents Committee and is very easy to deal with, both on

/personnel

insist heavily once more on the need to prevent the cost of living rising. I tell the officials that I am sure they have not really tried hard to think out how a wool subsidy could be operated. We have none now, and they tell me that the Wool Controller, Sir H. Shackleton, is against it. I find this rather irritating and say so. He is a servant of the Government and must do what he is told. I tell them to think out the least objectionable way of working a subsidy. (Having thought over tactics again, I decide next morning that I will first talk to J.A. on all this and try to avoid taking it to the L.P.'s Cttee., where my colleagues must not be encouraged to intermeddle with the details of my administration.

Robin Brook to dine. He is carrying greater responsibilities than ever and has been down with jaundice. He is evidently being a great success at his job. I shall take him down to W.L. the weekend after this. He would like his wife and two babies to live in it, if I agree, for a month or so. He is one of the most appreciative of all my visitors to W.L. He says that Gubbins tremendously enjoys travelling about the world and being close behind all the Fronts in turn. This also they like best at home, for R.B. says that G. is a very bad administrator and a very bad judge of men. I think he overdoes this criticism.

24. 3. 44

, At L.P.'s Cttee. we agree to remove the present subsidy of 4½d. per lb. on price of raw cotton - leaving an estimated penny of subsidy due to exceptional war causes - except for utility cloth. All exports plus all non-utility cloth and utility hosiery will be de-subsidised. I point out, in support of this, that we are now subsidising exports of cotton piece goods to many most undeserving recipients, e.g., Argentina, Turkey, the U.S.A. and Eire. This visibly moves my colleagues, who are unaccustomed to having figures quoted from official books! But some of us are rather moved - and I particularly - by the plea that British West Africa should not be penalised. The subsidy on exports to this market must go, but it is agreed, on my suggestion, that officials of Treasury, B.T. and C.O. should confer to see what can be done. I afterwards told G.P. to instruct whoever "represents" me not to be sticky and obstructive, but really to try to find some way to help the W.African, buck niggers and buck negresses, for whom I have a friendly, sympathetic feeling, believing that they are not only doing a lot to help to win the war, but are nice people - much nicer than Indians or Turks or Eireans - and that they are one of the most creditable portions of the British coloured Empire. Poor little Devonshire, who, with his son, made such asses of themselves in W.Derbyshire by-election, made a very poor case and I really had to help him out.

D.J. and later Warter discuss with me the "score sheet" of new factories built or building in Development Areas. This is beginning to look quite important, but I impress on both of them the importance of doing something for S.W.Durham, which is, after all, one of our most serious "survey areas" and where, even apart from my own constituency, there are many possibilities of new building.

A.O. to see me, bearing in his hand a copy of Woolton's covering note to our joint recommendations on Location. In this W. says that, having thought it over, he thinks that full responsibility for Location policy should be placed in a single Minister, and not on a group, and that this single Minister should be the President of the Board of Trade. A.O. grins rather sheepishly and asks whether I have seen this. I say "Yes, and oddly enough I did not myself suggest it to Woolton. I know you won't like it at all". He doesn't reply to this. (He still remembers the row I had with some of them and the rather tart minute I sent to him, saying that I had myself given "very much thought" to this subject and had reached definite conclusions, but that I knew these were not shared by my officials, who must, none the less, refrain from expressing views to other officials on the substance of this scheme, which now had Ministerial approval. In particular, I had written, it would be quite inappropriate for any officials here to suggest to any official anywhere else either that there should be a less active Government policy, or that the B.T. should play a less active part than that proposed in carrying it out. I was sure that he would agree with this, but, in the light of past discussions I had had with him and others, and of the "departmental evidence" tendered to the Barlow Commission, I thought it well to make this quite clear, so that there should be no misunderstanding or confusion of responsibilities. He only said, having received this minute, that he didn't know why I should have thought that any such action by any of them was possible. I had also complained that I had had difficulty in getting hold, on Monday morning, of a draft which had been in the hands, I discovered, of my officials since some days before. He had explained that, for the first time in his life, he had left his papers, including this one, by mistake at home. He had only recovered them later in the day when his wife had specially travelled up with them! I had also told Watkinson and Miss K. that I knew many of them disagreed with me on all this, and that I had no doubt it was difficult for them loyally to carry out a policy with which they disagreed, but that I expected them to do so and I did not understand these confabulations which seemed to be going on between officials of different departments after the whole thing had been dealt with by Ministers. They both protested their good

intent and denied that there were any confabulations. If anything like this last policy finally goes through, I shall have to be rather obstinate and difficult about personnel to man what will be an important new section. But, when all is said and done, we are not doing too badly, in a quiet way, just now.)

I told A.O. that, for my part, I didn't care where the Ministerial responsibility for Location lay, provided some of it lay with me. I would tell my colleagues that, if they wished, I was quite prepared to do it alone, or, if they preferred, I was quite prepared to be one of a group of three or four - but it shouldn't be more - or, in the third place, it might be best to have group responsibility during the war and the transition, and then let it fall solely on the Board of Trade thereafter. If we did the job well during the next year or two, we might, with luck, have developed all the Development Areas.

Lunch with Mrs P. to meet the new Portuguese Ambassador, the Duke of Palmella, a fleshy, youngish man, who speaks perfect English and took his degree at King's in 1918 in Mechanical Science. He is now going up to stay with the Provost and take his M.A., more than three years having elapsed since his B.A. He makes quite a good impression.

I ring up Datchet three times to-day. Still no real change, though she is getting gradually weaker and has not recovered consciousness. Last night she was rather restless. Her physical tenacity is amazing.

DIARY25. 3. 44

She died just after 11 o'clock this morning. I heard when I telephoned at 2 p.m. She had never recovered consciousness, nor heard the guns firing nearby last night. So I went down this afternoon, reaching Datchet just before 3. A second doctor had just come to view the body, as a condition for cremation. The dead shrink very quickly. (I remember, too, writing in my "British Guns" that "The more I see of dead bodies, the less I believe in immortality". I still feel like that. This belief is, except for a few philosophical experts, mere wishful and unplausible sentimentalising.)

And then I have to see Mr Hunt, the Undertaker, a smooth-mannered, red-faced, clean-shaven, subservient, rather sly-looking person, who, however, turns out to be quite efficient. He will bring round the coffin on Sunday night and we shall go on Tuesday to Woking for the cremation, in good time for which he will procure a small, simple, chased bronze urn.

And then the Vicar called, the Rev. Russell Potter, and tried to be cheerful in a rather Godly way. I said that he should have a Memorial Service in his Parish Church. And then I first rang up, and then went to see, the Dean of Windsor, Albert Victor Baillie, with whom my father used to have most fearful rows, now 80 years old, but, for his age, quite well preserved and rather nice. I arranged with him that there should be a funeral at St George's on Thursday - I am keeping Wednesday clear of any of this, since I have two important Ministers' meetings. Her ashes then will lie beside my father's. On Tuesday afternoon I am to bring them back from Woking and put them in the Dean's Private Chapel at the Deanery until Thursday.

Then back to Datchet and tell Mrs Battye, who has kept up very well, that she had better stay on for the present in the house and have some rest. She has been much helped by Mrs Dickie, a V.A.D. and the District Nurse.

It is very odd that my sister Georgie has taken no notice at all of the letter Mrs B. wrote to her a week ago saying that my mother was very ill and queer. She has neither written, telephoned, nor offered to come down. She could have done no good here anyhow; she would only have got in the way. But I asked whether they had her telephone number. If they had had, I would have rung her up. But they hadn't.

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So I went back to London and settled down to write various letters - to R., to Georgie, to her dull husband John (for him to get on Monday morning at his office), and to my Uncle Llewellyn. And so to bed, a little weary. But it is a great relief that it is over.

26. 3. 44 (Sunday)

I sleep a bit; send a Death message round to The Times; and then finish off my joint paper with Jowitt on Restrictive Practices. I like turning aside to this. I have to do a lot of cleaning up. I am very vexed that not only Miss K., but others who can do better if they tried, serve up such shambling stuff to Ministers. They have no pride in form or style.

27. 3. 44

Collect Underhill and the Public Trustee representative, T.F.Bowman, who says he was at Cats from 1903-6 and acted in the Greek Play. Now rather a slow-moving and very respectable gentleman. I say I want him to do all the detail. We hand over various documents and discuss others.

Then spend the evening finishing my own draft on Full Employment for the Labour Party. Everyone is doing drafts just now on this subject!

28. 3. 44

Look in at 200th Meeting of Central Price Regulation Committee. They are a good lot and Thorpe is a good Chairman. I tell them they are very important and are working out all the time a new technique which will be most valuable also after the war.

Arrive at Datchet just after noon. Thence to Woking. It is a great thing that I go alone. The process takes two hours. Now they use gas burners, two rows of them, one on each side of the coffin containing the body. Before the war they used solid fuel. From the burned remains pieces of wood forming part of the coffin are first picked out and then the pieces of bone are passed through a special machine which grinds them to powder. The resulting ash is quite heavy. To-day, when the small casket was brought out, quite full and still warm, it weighed, we estimated, 7 or 8 lbs. Oh, how quick and clean and final!

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The garden round the Woking Crematorium is really rather lovely. To-day was a warm Spring afternoon. The buds of flowering trees and others were just breaking and, except that not far off the railway ran, with trains rattling along it and in sight - though this will be cured when some of the trees grow up - one could have imagined oneself deep in the country.

Then we drove back, Mr Hunt with me in the car, his myrmidons and the hearse having been sent away before the two-hour wait, through that most familiar but rather attractive countryside, past Virginia Water, with new coniferous plantations, and along the river by Egham, back to Datchet, where I drop Mr Hunt, and then on up to the Deanery, where I leave the ashes.

Back at the office I hear that the Whips have sent an S.O.S., and going down to the House, join in a Division in which the Government is defeated by one vote - 117 to 116 - on an amendment to give women teachers equal pay with men (Clause 82 of Butler's Bill). This is the first time this Government has been beaten. Most other Governments I remember suffered this fate fairly often.

29. 3. 44

Yet another meeting of the Reconstruction Committee on Uthwatt. J.A. and W.S.M. on very bad terms. The latter is a damned fool. He has only this one job to do, and no administration. Why hasn't he squared J.A. and other colleagues? He has a lousy staff anyhow. He has the vice of making simple things complicated. To-day we decide - I pressing for this and helping, I think, at last to get it - to draft and bring in immediately after Easter a Bill to entitle Local Authorities to buy all land required for reconstruction and development at prices not exceeding the 1939 market value, with an escalator clause as in the War Damage Act. W.S.M. had clung tenaciously to a Land Commission, which should buy the land and then dispose of it to Local Authorities, or, in some cases, to private developers. This is a quite unnecessary intervention. We drop it out.

It is also decided that there shall be brought in, together with this Bill, a W.P. on the larger questions of development rights, etc.

~~It is also decided that there shall be brought in together with this Bill~~ /Beale

Beale, just back from the U.S. He thinks he has had a great success in his Lend-Lease negotiations. I am inclined to take whatever he has got, if he thinks well of it, almost without question, and to make the most, in defending it, of his authority. He is tired and is going off for a long week-end to Scotland. We will go over in detail his draft agreement next week.

This afternoon a Ministerial meeting, W., J.A., E.B., O.L., the Prof., and myself, with a number of officials. I sense that W. and a number of the rest are almost completely exhausted. I sense, on the other hand, that E.B., who arrives late, has had too much to drink. He is almost incoherent and continually returns, long-windedly, to points that have been settled. The officials look demure while this goes on and on and W. leans towards me and whispers "He is very tight". We all, both drunk and sober, agree that the draft presented to us this afternoon on post-war employment is completely lousy. It is, I think, by Dennis Robertson, and is a sort of extract from an economic text book, full of long words and long sentences and all quite abstract. Not a fact or a figure anywhere! We all agree this must be scrapped, and something intelligible to the ordinary Member of Parliament substituted; also that we must begin with the Transition, which will interest people most.

W. gives me the impression of being completely bogged just now in his job and has suffered some shock from being knocked about in the House of Lords debate last week. He has had no political training ~~xxxxxxxxxxxx~~ to harden his skin and his sensibilities. He particularly resented little Lord Latham's reference to a "Government in Slumberland" and to the same little Peer's interruption, when W. said "Our undertakings still stand", "Stand still". "I call that very cheap", W. had replied. And at the end of the debate, Lord Beaverbrook had waved his arms and shouted at the Lords. So many had been brought up from their backwoods and country kennels that a Government majority was assured. So there had been no vote; only great discomforture.

Going out, O.L. complained to me of W.'s Chairmanship, and that he had to "sit twice a week through several hours of this". There was no direction, he complained. The whole discussion was just like a heap of sand. "And", he added, "It is pretty stiff that we should be expected to do all this, when we have to be thinking most of the day and night about the war."

Wanting a change of companionship, I collect Bob Fraser

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to dine with me. I am a little late because C.R.A. suddenly summons a meeting of Labour Ministers at No.11, where we discuss to-morrow's proceedings on the Education Bill. The War Cab. have decided to make the House vote against the Clause as amended by yesterday's vote, and to make this a vote of confidence. It is quite clear that, once more, a large number of our silly Members fell into a Tory trap and voted without any consideration of the real point at issue. C.R.A. says that he will tell the Party meeting to-morrow that, unless not only the Government gets a good total majority, but unless a substantial majority of our own Party vote for the Government, he will resign and hopes we will all back him up. No-one challenges this view.

The truth is that we are all showing various signs of disorder and strain, while waiting for the invasion. And the Russians are rushing on so fast that there is an uncomfortable feeling that, even if we do the invasion very well, we may seem rather small beer and late in the day, and may only meet the Red Army somewhere west of the Rhine. There is, further, the daily humiliation of the news from Cassino, where, in spite of "the war's greatest air bombardment" and every other kind of effort by all arms, we are still baffled by a bunch of bloody Germans in the rubble of a wretched little Italian town on a hillside. Something has been going very wrong here, and it, together with the lack of exploitation of the Anzio bridgehead, raises gloomy thoughts for the future.

On my return to-night I write a careful letter to my brother-in-law, replying to lucubrations from him and G. The latter is still living on old grievances of having been "completely ignored" some twelve years ago when R. and I had to tidy up, quite unaided by her, my father's affairs and my mother's future arrangements. It would be sad, were it less silly. My first inclination is to write a rather sharp letter, but I finally tone this down into a more "dignified" allocution.

30. 3. 44

A very useful meeting with Warter and my four Regional Controllers from the Development Areas. I give them a clear and strong lead on policy and say that this is a ~~great~~ subject on which I both feel very strongly and know a good deal. There are many subjects on which, until duly briefed, I know much less than the

/officials

officials. But this is the other way round. It is a very simple problem. These areas had too few factories in them and too little variety of industry. The remedy is to put more factories in them, with a greater variety of industries. If this is persistently followed for several years, the problem will be solved - for these areas. And no others, if the same policy is steadily followed, can ever become nearly half as bad again. We then take the areas one by one. I am much impressed by Maclean, who is looking after Scotland. Humphreys, who is accompanied to-day by Brunning, whom I had supplanted by H. for post-war work, owing to the very bad impression he made upon the Welsh, is also pretty good. Webber, on the other hand, who is supposed to look after the N.E., which needs more looking after than any of the others, seems to me frightfully feeble. I must replace him by someone much more inventive and thrustful. Webber does not know anything about sites in most of the county.

I ask him whether he knows many of the Clerks to the local Councils. He says "Oh yes". Then follows this dialogue: -

- I: "Do you know Mr Omand?"
- W: "No, I don't think I have ever met him."
- I: "He is the Clerk at Crook. Do you know any good sites in that area?"
- W: "No, I'm afraid I don't."
- I: "Have you ever met Mr Addison?"
- W: "No, I don't think I have."
- I: "Do you know which Council he is the Clerk for?"
- W: "No."
- I: "He is the Clerk at Shildon. Do you know any good sites at Shildon?"
- W: "No, I am afraid I don't."
- I: "Do you know the Clerk at Bishop Auckland?"
- W: "I don't think I do."
- I: "He is a tall, handsome man and used to be a good cricketer in his younger days. Do you know his name?"
- W: "No, I am afraid I don't."
- I: "His name is Proud".
- W: "Oh yes, I remember now."
- I: "Have you ever met him?"
- W: "No, I don't think I have."

Finally, Bennet Story, who takes W.Cumberland as well as Lancashire, says just a little. But there is not very much to say about this fourth and smallest D.A., except that if we can hold all we have there now, including the two R.O.F.s, we shall be pretty well away.

/R. arrived

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R. arrived last night from Manchester and comes this morning to an early lunch. We then go down by car together to Windsor, where the funeral in St George's passes off very easily. A few old ladies attend and the service is quite short and simple, without music, except for a little on the organ as we come in. Evans, aged 89, still walks in front of the Dean bearing his silver poker, much as he used to do 40 or 50 years ago. My father's proteges last well.

R. and I call at the Deanery about a quarter of an hour before the service and walk in immediately behind the Dean, who carries the casket. We find George and John already established in their stalls next to ours. I suppose it will be a new grievance that they were not also invited to the Deanery and to join in the procession. When it is finished, we are just going off when G. comes rushing after me, having shown no particular warmth, or, indeed, emotion, at any stage in the proceedings, to ask whether it is clear that she will be able, whenever she likes, to go down to Datchet and stick a label on anything she wants, and buy it at the probate value. I say "Oh yes, of course". She then begins to complain that she has not yet received a copy of the Will. I say I am sure the Public Trustee will send her one before long. She then goes on to complain several times over that she has been left completely in the dark about everything for many years. John, hovering in the background, says "We haven't even ever seen the Marriage Contract." This is really too fantastic for words, for she has been a Trustee of our parents' marriage settlement for about 20 years! I really don't feel I want to see her again.

Back in London, I leave R. at Euston, going back to Manchester to-night, and then get to the House in time to take part in the vote of confidence in the Government, deleting Clause 82, by 425 to 23.

DIARY31. 3. 44

To Datchet to lunch with Mrs B. and then with her to Memorial Service at the Parish Church. Then spend 2½ hours hunting through papers at Cherry House and bring away a great quantity.

Robin Brook, by arrangement, picks me up at Datchet at 5.30 and we drive together by car to W.L. (I have used some extra petrol this week and last on trips to Datchet, but generally I am well below the average of Ministers, I guess).

1. 4. 44 to 3. 4. 44

At W.L. R.B. doesn't want, after all, to have this house for his wife and children, as they have already arranged to go to Wales. He is a very good companion. We play four games of chess. On the first evening he wins one and the other is a draw; on the second evening I win two. So we are pretty level. I spend much of the weekend reading through and destroying letters from Datchet. Part of the rest in walking to and from Woodsend, arranging about furniture, books, etc., now stored by Horace Powell, who is leaving Bomford and his cottage. It will make a great crush in the house but it will clearly be best to bring this stuff down to W.L.

3. 4. 44

The Lord Portal to call and to discuss housing and furnishings. He is very secretive and no-one quite knows what he is planning, nor with whom. Lebus and my rather hen-like officials M. Williams and Richards, are in a great flap about it all, and say that the trade are in an even greater flap, and are interpreting the P.M.'s reference to housing in his speech last week to mean all sorts of fanciful things. I am a little impatient with all this. The trade have, and will continue to have, plenty to do making utility furniture. They really need not bother their heads about what anybody else is doing. P. says that his built-in furniture is going to be of steel. I say I like this very much, since steel will be in glut, while wood is very short. I ask whether my officials should not talk with his, and he says "None of my officials know anything about it. I haven't told them anything. But if

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you like to send one of your chaps round to see me personally, I will explain it all." I then propose to send D.J., since part of the subject to be discussed is the making of earthenware, for basins, lavatories, etc., refrigerators and other equipment, which could be subject to locational guidance. But this rather upsets M.W., and I agree that Richards shall go too. I warn these two officials not to knock Lord Portal about too much, as I am anxious to play ball with him. P. also takes occasion, while with me, to abuse Gwilym and blames him for the present mess in the mining industry and the many strikes.

4. 4. 44

I find myself rather more inclined than usual to be tart in answering P.Q.s and snub Sir A.Knox for suggesting that the distribution of alarm clock permits through the T.U.s has not been well done and that "the management" would have done it better. I say that we all owe a great debt of gratitude to the T.U.s for what they have done, that they have played the game throughout and have granted permits to non-Unionists in many cases, that the arrangement for distribution was made in agreement with the B.E.C., and that, if I had not had their help, I should have had to employ an extra horde of officials. This counter-attack slightly ruffles the surface of the Parliamentary pond. But I am rather tired of always being polite.

Citrine to see me, just before leaving for the I.L.O. at Philadelphia, to arrange for future contacts with the T.U.C. on Reconstruction. He says he thinks the G.C. will appoint a sub-committee to keep in touch with me. Monthly meetings would, he thinks, be too often, but perhaps we could meet once every two months. They are particularly anxious to see me and not merely the officials. I agree to all this readily. I had been afraid he would be much more tiresome, and would have wanted that silly little Woodcock to be allowed to come hanging round and cross-examining officials. I fancy the truth is that, with the T.U.C., I have as good a reputation as any Minister, but my officials, whether deservedly or not, as bad a reputation as the officials in any Department. Part of this, no doubt, is a throw-back to pre-war, when the Board of Trade was, as all agree, a by-word in Whitehall and beyond.

3.30 to 5.30 p.m. Discuss with some two dozen representatives of the Cotton Trade Unions the present and future of their industry. A very friendly and agreeable discussion, but

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we don't get anywhere very definite. I try to make them say they are in favour of larger units in planning, but there is some confusion over this, and as between the merits of horizontal and vertical combines, on which they are clearly divided. I manage, however, to dodge minimum prices until the last three minutes, when Knowles gets up at the back and raises it. But then it is too late to pursue it. Thornton, the young man from Rochdale, not for the first time, impresses me very favourably. He alone sees that there will be a great shortage of labour, whatever they do about air-conditioning and other amenities, in the industry after the war. Among the officials attending the meeting is a young man named Fay, who is one of MacMahon's assistants. I hear that he was at my old College at Cambridge and I guess that he is a son of Professor C.R. Fay. I tell M. to bring him to see me one day. I like M. He has both charm and a slow competence.

Warter to see me, following my injunction that Webber must leave the N.E. or we shall never get any development there. He was, he says, quite prepared for this and thinks the man for the job is Sadler Forster, now his Regional Officer at Cambridge. I like this. S.F. wrote a very good report on Billingham and Tees-side. He is said to have great ambitions. This will be a good thing.

Dine with Leith-Ross, who is always a very nice host and gives us plenty to drink, including some very good Burgundy. Other guests are Van Zeeland and Kerstens, the Dutch Minister of Commerce. Both civilized men, though Van Z. did want to lend money both to Hitler and Mussolini to keep them quiet. We speak a good deal of Relief, and the claim of this will come with a great rush one day.

5. 4. 44

Bowman of the P.T. Office to see me. I give him a great quantity of note books, papers, receipts and slips of all kinds brought from Datchet.

Kallina to see me on the eve of his departure to Philadelphia for the I.L.O. Conference, where he will represent the Czech workers. The usual sort of tale of inter-Czech quarrels, and inter-Socialist Czech quarrels at that. He thinks very ill of Nemeč and Becko. They are both, he says, trying to dodge going to Philadelphia because they don't know what might happen while they were away, either by reason of Russian military successes or simply through the intrigues of their compatriots. I quote to him "Qui va à la chasse, perde sa place". Motto for Ministers! Some may

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wonder why I haven't yet been to Washington!

A most remarkable meeting of the N.E. this afternoon. It was a special meeting to consider my draft on the International Post-War Settlement, which, after prolonged consideration by the International Sub-Committee at, I think, five meetings, beginning with a preliminary study of my Conversational Memorandum, had now been sent up, after much amendment, and some improvement, to the N.E. It was a rather thin N.E. But most of the pro-Germans were there, including three - H.J.L., Phil and Clay - who had taken a good deal of part in the discussions on the International Sub and had never made any direct challenge there to my layout. Indeed, H.J.L. had embarrassed and surprised me at the first meeting by saying how wonderful he thought it all was, and nearly weeping over my Palestine paragraph, on which he afterwards wrote me a most emotional and effusive letter. But afterwards, sinister omen, he wrote and said he hoped I would read Brailsford's Penguin. (I did, and wrote to H.M.B. Copy somewhere in the files.) No doubt H.J.L. has since been confabulating with the New Statesman crowd, and especially H.M.B. and K.Martin, and they have told him that my draft is quite frightful. Anyhow, this afternoon they have obviously pre-arranged an attempt at sabotage. Jim Griffiths, who, as I have remarked before, is very wet and has a spongy under-belly, not having read the thing before, moves that the whole draft be referred back. He is horrified because the Atlantic Charter is not mentioned. (A small point, easily remedied, but, curiously enough, not hitherto mentioned in any of our discussions.) He is also much shocked by the paragraph on reparations. He says he notices that "coal is left out". I say Of course it is, and he would have been the first to complain if it had been put in. He seems to think the draft proposes that we should have forced German labour in this country. When I explain that this is only what the Russians intend for themselves, he says that before long the Labour Movement will be protesting against the employment of forced labour anywhere in Europe, either by the Russians or anyone else. He has a queer old near-I.L.P. point of view and is one of those who is terrified both of his followers and of stark and honest thought. He, I remember, when I got the P.L.P. to stop voting against arms, rushed round with Arthur Jenkins to Attlee demanding that another meeting be summoned to reverse this decision and assuring us that the South Wales miners would never stand for it! Several others, with some appearance of embarrassment and apology, support his motion. Phil says that he thinks mine is "the wrong sort of document", though he hastens to admit that I invited him to send me alternative drafts and that he has not done so. H.Clay says that the document has "the wrong wort of beginning" and that he is sure

it would never get through a Labour Party Conference. (He has been a very irregular attendee at the International Sub, but that is his fault.) John Parker, also a member of the International Sub, who has taken no effective part there in making alternative proposals, is noticed to be sitting with H.J.L. and Clay, and gives a silent vote in favour of the reference back. Several of my most stalwart supporters are absent, including Jimmie Walker, who is having an operation on his eyes, and Billy Robinson, who is fed up with the whole thing, and Jennie Adamson, who always backs me through thick and thin. None the less, the motion for reference back is defeated by 9 to 7, after some vigorous interventions on my side by Burrows and Tom Williamson, during whose speeches the atmosphere tends to rise. I, on the other hand, am very suave and patient, saying only that I think it rather an odd procedure that this motion should be supported by a number of those who are supposed to have co-operated with me in producing the document in the sub-committee and never challenged it there, and that, of course, it would be quite easy to meet a number of points raised, e.g., altering the order of paragraphs and changing their relative length. H.J.L. then unctuously says that my reply has done much to make their task easier. I deliberately reserve my fire on the main issues to a later occasion. We then have a lengthy discussion, paragraph by paragraph, and I undertake now to prepare a revised draft in the light of this. I also seek to implicate Phil and H.J.L. by specifically inviting them to redraft certain of the paragraphs to which I attach the least importance.

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They are rather a cowardly lot, this minority, and I am not going to hunt them out into the open prematurely. But we may have to have a showdown before we are through. One result of this further delay is that it will not now be possible to get this document out before the Conference. This, I think, will suit me all right. Earlier on there was a great effort to get it out early so as to allow conferences expounding it being held all over the country. I never liked this, because all the silly pro-German factions in the D.L.P.s would then have had plenty of time to get their counter-campaign going. And so would some of the German emigrés so active in our midst. But now there will be very little time for this. The only trouble on the other side is that some of the big Unions may say they have not had time to consider it.

I proceed straight from this lengthy meeting to take the Chair at the Finance Sub-Committee of the Policy Committee. Here we guide through another of my own precious drafts - no-one at present in the Labour Party seems capable of drafting anything except me - on Full Employment. Old Pethick appears and is very

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sensible, as usual. But George Benson is becoming quite a portent. He is notoriously in the pockets of the Treasury officials and possibly one of the leaks to them regarding our affairs. He is opposed to all modern thought on matters of finance and puts his case so slowly and long-windedly that I make another heavy draft on my stock of patience. In the end the document emerges not much changed.

Beaverbrook gives a large Ministerial dinner to-night to Berle and Warner, who are over here to discuss Civil Aviation. I tell Berle how impressed I was by Berle and Means' classic "American Corporations"; also by his speech about German responsibility for the massacre of Jews. He makes a most eloquent and well-arranged after dinner speech. I think that probably it is a very good thing we have him here, to exorcise his suspicions and anti-British inclinations and to flatter his vanity, which is considerable.

6. 4. 44

Talk with J.A. on (1) motorcar taxation, I inclining to the tax on petrol only, and it being agreed that our officials shall look into the facts of this, (2) tax on hydrocarbon oil, which he would like to get rid of so as to encourage a new industry, (3) wool subsidy, which he strongly favours in principle, and I therefore tell the officials to get busy and not to think that I am going to be controlled by the Wool Controller on this matter, and (4) the general question of the taxation of industry. Our talk on (4) is very general. I tell him that I think the time will come when he should get rid of E.P.T. altogether and replace it by a straight tax, perhaps at a high percentage rate, on profits ~~before~~ distribution, like the old C.P.T. He at once says that it was he who invented C.P.T. He will not, I think, say anything very dashing or sensational in his next Budget speech.

Brief talk with officials on Beale's L.L.W.P. scheme, which is already being discussed with the Treasury and Ministry of Production. I urge upon them the need to accept it, as quickly as possible, with the minimum of suggested change. We shall never get such a good chance again, and the Americans may cool off if we hang about.

Lebus and M. Williams in a state of great excitement about Portal's supposed tergiversations on built-in furniture. I say that Lebus had better go and talk to Portal himself. Meanwhile, we want the houses built and equipped.

/Afternoon

Afternoon meeting with Sir P.Hammon, T.Levy and a number of hard-faced looking men, representing the N.U.M. They are pleased, I think, at being invited to talk, but nothing much emerges

To W.L. in the evening for five nights.

7 to 11. 4. 44

The Spring is beginning. I spend a good part of the time moving our furniture from Snap Cottages, whence the Powells are moving to Cadley, and packing it into W.L. It has been wonderfully preserved from damp and dust. There is no dust in the country really; that is a disease of London. It is fun to have so many of my books again. I begin to think that, when I leave office, I must start at once to write, though not necessarily to publish, my autobiography.

11. 4. 44

Return this afternoon to London, rather grudgingly. It does not seem that people have been bestirring themselves unduly over the Easter weekend.

DIARY

12. 4. 44

Wells has been asked to consider being Labour candidate for Bath and also thinks he might, if he wished, get Sparkbrook. I advise him to take the latter, where Amery may not last much longer, and will be a bit shop-soiled anyhow by the next election, but not to do more at Bath than to go down and meet the chaps, and get the experience involved in such a visit, but, if they invite him to stand, to make excuse.

Two and a half hours at Reconstruction Committee on Location of Industry. W.'s note suggesting that it should all rest on me rather than, as agreed at the small Ministerial meeting, on four of us jointly, with a joint secretariat, has fairly put the cat among the pigeons. W.S.M. has now sent in a ridiculous paper saying that it ought all to be with him, and E.B. has written W. a furious letter, saying that he "refuses to be a supplicant". I have to explain quite early that I was not consulted before W. wrote his note, and that, for my part, I want to stick to what we agreed before, namely that, for the next experimental period, responsibility should be joint, though after the war it might well be decided to concentrate it on one Minister. The discussion which ensues on the latest version of the draft to be embodied in the W.P. on Full Employment, seemed to me at the time to be quite frightful. In the minutes of the meeting, however, it comes out very much better, and we really seem to have moved some distance forward. I keep on insisting that the most powerful of all levers is the industrial building licence, and add that, if this is vigorously and skilfully used during the period of shortage of materials and labour, the D.A.s will all be developed when this period ends.

I hear a few days later that my more cautious officials think that Ministers have finally taken "decision"

on Location and have planted it on me. W. is a hopeless Chairman, sitting helpless and weary-looking, while the debate moves round and round him. But he has got some very good staff indeed. Both N.Brook and J.Maud are really first class, and Jewkes is also quite good, contrary to my expectations.

13. 4. 44

Sadler Forster is brought by Warter to see me. He is to take over all my regional responsibilities in the N.E., replacing both Weber and Baty. S.F. is not at all flashy, but I think he should do quite well. He is rather a typical Northerner. He comes from Middlesbrough and began as a chartered accountant. He has had some business connections and has for some time looked after Welwyn Garden City. Remembering that he was said to be ambitious, I told him what great possibilities this job held. I must keep an encouraging eye on him.

Sir T.Barlow, nice man, still in rather a fuss about the clothiers. I had him in to explain that it was now quite definitely an order that a plan was to be prepared for a wool subsidy. The Chancellor of the Exchequer and I, I said, had discussed the matter and we were both determined that we must have this plan ready, though it might never need to be applied. We were not going to stand any more nonsense from Shackleton. He was to be told not to argue back on merits, or on supposed practical difficulties, but to tell us how the thing could best be done. I said "Ministers are not going to be controlled by these Controllers."

Another long meeting of Woolton's Reconstruction Committee on T.and C.Planning. W.S.M. has now produced a fat draft Bill, but everybody argues (1) about the proposed powers of land acquisition and (2) about the "1939 standard of values". Both these matters are to be further considered. It is very clear to me that the personal relations, not only between J.A. and W.S.M., but also between the latter and

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Willink, are not good. In the second case there is, no doubt, departmental jealousy from the Ministry of Health side.

War Cab. on Manpower for Jap war. The Chiefs of Staff pitch their claims very high, and O.I. wants to have an alternative study made on lower figures. This is accepted, the C.I.G.S., who is a very able man, being very adaptable, but explaining that it is very difficult for the C.O.S. to make any estimate until they know more about what is to happen in Europe, e.g., how large the Armies of Occupation will have to be and what areas we shall have to occupy, either alone or jointly with others. O.I. and I both stress the need to lift civilian standards and push export trade as soon as Germany is beaten. The P.M. is always very responsive to this, though also very insistent that we must "do our utmost", whatever that may turn out to mean, to help the Americans to beat the Japs. He says that, at Teheran, Stalin said that it would happen on the very next day. "And so, with everybody gathering in, they might not really fight it out, but might offer terms, short of unconditional surrender, which it might be well worth our while to examine."

The P.M. seemed to me to be in very good shape to-night; confident, equable, not tired, and with his sense of humour always quite near the surface.

Entertain, at H.G.'s suggestion, Skouras, the Greek-American film man, with his man Harley; also H.G. and E.D. I think it will have "done good", as one is always eager to do with these Yanks. But, frankly, he said nothing worth remembering all night.

14. 4. 44

War Cab. on Monetary and Commercial Policy. It is agreed, after long wrangle on usual lines, that J.A. may publish the latest version of the Monetary Plan, though making it plain that we are not committed to it and that we

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expect it to be discussed by the House of Commons and the public before we take our decision. On the other hand, J.A. had wanted to say that we were in favour of the "broad objective". There was a long wrangle as to what this might mean or imply. Finally the P.M. said that he could easily draft some "broad objectives" which we could support, and began with "maximum exchange of goods", reasonable stability of prices, etc., most of which, however, belongs to the Commercial and not to the Monetary compartment. Not much time is left to discuss Commercial Policy and the Beaver keeps on shouting that he wants the Commercial plan published as well. I keep on repeating that there is no Commercial plan yet, which is quite true in the sense of a detailed technical scheme agreed with the Americans, though the officials have published a long story of their recent talks with the Dom. and Indian officials. The Beaver keeps on shouting "I only came to the Cabinet this morning in order to support the Doctor. I thought he wanted to publish his plan." It is, on the whole, a very genial Cabinet. E.B. says to the Beaver "You want to strangle the one plan at birth and do an abortion on the other". This was thought by all to be very funny. The P.M., as yesterday, was in an exceedingly good mood and full of benevolence towards all. But he said "I really cannot be expected at my age to start to get up all these currency questions which I have thought nothing about for nearly 20 years." And it is true that, in this field, he is willing to be led. But he is embarrassed when people try to pull him violently in different directions.

To see E.B. at his request. He wants to do a wangle with me to help work on post-war models. He is particularly keen that Roy Fedden should be allowed to go on making his post-war car. He met Miles Thomas of Nuffields the other day and told him that the other car manufacturers were a lot of bloody fools and that, if they went on threatening Parliamentary questions about Fedden and a few others who were getting any facilities, it would mean that he would denounce them. I said that Sir W. Palmer was looking after these things for me and we should also like to wangle something. It was agreed that Palmer and Ince should

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meet together and arrange the wangle.

He then passes to his favourite topic of abusing colleagues. This afternoon it was Lyttelton and Cripps. He had, he said, told Cripps at the Cabinet the other day that he didn't know why he didn't mind his own bloody business. "Some of them looked rather surprised when I said that", he said. "But I stuck to it". Cripps, it seems, had hurried down to Bristol, when the miners' strikes were on, and seen the Central Electricity Board and told them that, owing to lack of coal, electricity supply ought to be cut down by 20%. The truth was, said E.B., that Cripps and his M.A.P. had wasted electricity and manpower in the most disgraceful way and they were using the excuse of the strike in order to retrench. Cripps had put in a fantastic demand for 212,000 more workers. He had never expected to get them, but E.B. had produced them for him. And then he had been in a complete mess and had no work for most of them to do.

He then said that he had been asked "last Monday" (April 10th) to go and see Attlee. He had found him and H.M. "with their heads close together", though they looked up rather hurriedly when E.B. came in. He had obviously interrupted them in the middle of a very confidential conversation. Then C.R.A. asked whether he had heard about the proposed Cabinet reconstruction. E.B. said no, what was it? C.R.A. said it was proposed to move Lloyd George from Fuel and Power to Information, give Bracken the Dominions, and Cranborne the F.O., with Eden continuing as leader of the House. E.B. asked "Have you agreed to all this?" C.R.A. said it had been talked about between him and the P.M. E.B. then asked "Did you raise no objection?" C.R.A. said "No". E.B. then said "You ought to be ashamed of yourself, letting all these jobs go to Tories. Why shouldn't one of our people have the Dominions? After all, there are Labour Governments in Australia and New Zealand, and a great Left Wing Movement growing in Canada, and an important Labour Party in South Africa. There are plenty

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of our men in the House who could do that job very well." Then he asked "Who is to go to Fuel and Power?" C.R.A. said that the P.M. wanted Shinwell. "Then", said E.B. to me, "I really lost my temper, and I said 'Bloody hell! If that bugger is brought in, I shall go out, and you can tell that to the P.M. I won't stand for it. He is just another nominee of Beaverbrook'". E.B. then continued with the obvious point that to reward Shinwell would be to put a premium on disloyalty and discourage all the decent people in the Party who had played the game and supported the Government in moments of difficulty. He also said that that very morning he had got the miners to support the new Four Year Plan for wages by telling them that Shinwell had said in the House of Commons that they were going to turn it down. This, he said, had irritated them very much, and many who before had been in doubt, now voted for the plan. E.B. thought - he would - that it was solely his intervention that had stopped any Cabinet reconstruction taking place at all.

George Wansbrough to see me. He is full of ideas for new factories in the N.E., and on Tuesday visited Bishop Auckland, to which, he says, he took a great liking. He liked the people and the atmosphere and felt at once that this was where he would like one of his new factories to be. (I suspect his sincerity just a little. I think in this there is a certain amount of playing up to me, believing that, for the time being, I can be of great assistance to his enterprises.) "The people" whom he had particularly met were Proud and Will Davis. He had tracked the former down to his office, where they had looked at maps, and they had then gone and called on Davis at his house. He had missed Mascall, the third personage in B.A. whom I had mentioned to him before, but was anxious to write him a letter. This I encouraged. Since, as I heard next day, there is to be a new Standard Factory at B.A., all this might fit in very well.

Rifa~~t~~ Tirana to dine with me. He has now been

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an American citizen for some years. He resigned from the L.N. Secretariat five years ago when the Italians took Albania on Good Friday ("And on Good Friday too!", as Lord Halifax, our Foreign Secretary, said at the time, with shocked face and lowered voice.) T. was then asked, as an Albanian national, to take the oath of allegiance to King Victor Emmanuel and to join the Italian Fascist Party. He went to see Avenol, "le pere Josef", as his staff all called him, and asked what he advised. A. hedged as usual and refused to advise either way, though observing that this was not the moment when it would be helpful for the League of Nations to have strained relations with Italy. T. then handed in his resignation and went to join his blond wife in the U.S., where he joined the staff of the Federal Reserve Bank. He then wrote his book "The Spoil of Europe", which I had praised highly, though, he said, the strain of writing it made him rather ill. This was a very disgraceful admission, I said, for his general health had always been very good, though I observed he had grown rather fatter since he had become an American citizen. Lately he has been out in Italy with the Inter-Allied Control. He said the Italians were completely disintegrated. They had neither pride nor hope nor any sort of cohesion among themselves. He spoke very ill of F. Rodd. I told him of the latter's performances at M.E.W. We swapped a lot of tales, he giving me some details of the behaviour of Noel Hall and Miss McCheehy in their respective spheres at Washington. He had no great praise for either, though he said that he knew that I had been responsible for pushing them both, and that at the beginning both had done well, but had got into difficulties later. Neither, he said, were as grateful to me as they should have been, seeing that, but for me, they would have stuck in unimportant posts at M.E.W.

15. 4. 44.

Stay put this weekend. See H.G. and D.J. this morning. The latter reports on meeting on location of eight Standard Factories. In fact, there will be more than eight

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because most of the units of 100,000 square feet are being split in two. I agree to 100,000 going to N.Ireland and 50,000 to Middlesbrough, though both of these are outside the D.A.s. In Scotland we are putting yet one more into Lanarkshire, which is not, on the whole, doing too badly. In the N.E., Sunderland, Hartlepoons, South Shields and Bishop Auckland, in addition to Middlesbrough, are to have them. The B.A. site, like the rest, is to be selected by the local people, but I should think it is certain that it will be in the neighbourhood of the St Helens Estate.

^a In South Wales they are to be at Swansea, Merthyr, Ammanford and Blackwood (Mon.). This, in addition to Rheola, about which, however, the Ministry of Labour are making an absurd and pedantic fuss on whether it should count as a Standard Factory or a Special Areas responsibility. It really doesn't matter a damn, so long as they get on with the work!

There is nothing in all this for W.Cumberland. They must not be forgotten, and John Adams has been writing several rather excited letters to me and to Miss Stone lately. It is high time J.W. came back to deal with him. It is no good anybody being jealous because other people are getting something. W.Cumberland must, however, get another bit of something soon.

On the whole, this is all very good, and the Score Sheet is filling up, so that one day, when I lift the lid, we shall have quite a fine tale to tell.

*to check meeting
from L Street*

DIARY17. 4. 44

Meet Stettinius at lunch with O.L. and other colleagues. No detailed conversation.

Policy Sub this afternoon passes my Full Employment paper, which was well received subject to a few small amendments, and also documents on Coal and Power and Transport.

18. 4. 44

International Sub finally passes for publication the statement on I.P.W.S. It has been a long struggle of successive revises, compromises, and conciliations, but it is not such a bad document in the end. H.J.L. and P.B. have both contributed substantial new sections. I insist that we must get a unanimous vote before we part with it, and this we do. It is to be published over the weekend.

Chris Mayhew to dine with me. He is still in a low medical category, though he seems very fit and cheerful.

19. 4. 44

See, with C.W. and some of our officials, a Soviet film on war on the Ukrainian front. Very "horrific".

20. 4. 44

Speak in H. of C. on Empire Policy. My voice is a frightful croak but I manage to make myself heard.

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-2-

There is very little that I can say, but I manage to fill in half an hour and am reasonably well received.

C.R.A. to dine with me. He says he has told the P.M. that he really mustn't put Shinwell in the Government. He thinks the Beaver is running Shinwell. We discuss certain possibilities and agree that the best line to take at the Annual Conference will be that there can be no change in the Election Truce, but that at the first election after the defeat of Germany, we shall fight as an independent Party, adding, if this could be squared with the P.M. beforehand, that it would be a great mistake for this election to come too quick.

21. 4. 44

Wake up to find that I have completely lost my voice and can only whisper. Therefore, cannot attend second day's debate on Empire Policy in the House. A.C. goes for me to the L.P.'s Cttee., where they approve my proposal to accept Beale's draft - subject to trying to get a few "qualifying amendments", without risking a general reopening of the negotiations - on Lend-Lease White Paper. Stay in bed most of the day and am fussed over by a lady doctor!

22. 4. 44

Warter drives me down in the afternoon to his house at Cobham. A very pleasant break. He has a good North Country cook, who, however, is quite deaf.

23. 4. 44 (Sunday)

Get up late. Go for a short walk before lunch with my host, and sleep in the sun in the afternoon. It is a very good sun!

Drive over to Beaverbrook's in the evening,

/where

where we find Fulbright, a Rhodes Scholar and rising Democratic politician from Arkansas, who is now running for the Senate. Fairly young and quite well disposed, but, like most of them, rather slow. Warter remains to dinner and is amused. The Old Man has some wonderful trees, including some very old Yews, below his terrace, over which we look forth. The talk is chiefly about the need to keep up good future relations between U.S., S.U. and ourselves. The Beaver, to his credit, has, in recent years at any rate, been very good on Russia.

24. 4. 44

Warter picks me up at Cherkley and drives me to London.

Reconstruction Committee on Restrictive Practices. Long desultory and rather irritating discussion, the general upshot of which was that some simpler scheme should be adopted, pivoting on power to the Board of Trade to carry out enquiries in particular cases and to make orders, though within what scope was not very clear. Finally left that Jowitt and I should prepare heads of a Bill. Sometimes before, when we have seemed quite stuck on this Committee, we are making better progress than we know. I hope so this time.

Fulker comes, friendly and truly "co-operative" as usual, to suggest that R.A.Palmer might have a Knighthood in this Rochdale Centenary year. I say that I will put him on the list for next time - i.e., New Year 1945.

J.W. back from his tour in the West Indies. This seems to have been a very great success and he has a wonderful story about flying up the great river in British Guiana with three other M.P.s, the Governor of the Colony and the pilot, in a very old plane, and flying first up, and then over the edge and down, the

/highest

-4-

highest Falls in the world, said to be some 850 feet, with a river the size of the Thames above and below. Also very much impressed with the efficiency and smoothness of Pan Air. He doesn't think much of the white population in the West Indies, nor of the Indians in British Guiana, but finds the negroes very engaging and very keen to remain in the British Empire! The American naval and air bases are, he says, tremendous undertakings and wonderfully well constructed.

25.4.44 (Tuesday).

I receive a letter.

DIARY25. 4. 44

Departmental odds and ends; the next round of Commercial Policy, A.O. and P.L. being very anxious that officials should not once more be sent, uninstructed by Ministers, to discuss with U.S. officials; alarm clocks; exports to Eire, etc.

Dine with Sir Campbell Stuart. He is very full of a report by the Australian and New Zealand representatives on the Commonwealth Communications Council in favour of the creation of an Empire Public Utility Company to take over all Empire cables and wireless. Clearly he thinks that he would have place and power in this set-up, and urges on me its Socialist character and Imperial importance. He is too patent a wire puller. He wants me to circulate copies to all my Labour colleagues in the War Cabinet. He gives me a copy for myself, since he thinks this is of close concern to the Board of Trade. In fact, it is rather marginal. I urge him to go and see C.R.A. himself and give him a copy. I say that I think it would be injudicious for either him or me to do much more than this.

26. 4. 44

Early meeting with J.A. and Law to consider whether we should jointly meet Stettinius and talk to him on Commercial Policy. There has been evidence that the State Department is very vexed at our delays on this, and papers have come in, both from Washington and Ottawa, saying that it is generally realised at Washington, and that the Canadians understand in much more detail, naming Beaverbrook, Amery and Hudson as the obstructionists, that we are stuck, split and in recession on Commercial Policy. The S.D. is also pressing, in rather heated and indignant telegrams to the F.O., and in high-level telegrams from President to P.M., for an answer to

/their

their proposal to set up a Steering Committee on international economic problems. We three finally decide that it would be embarrassing to meet Stettinius formally. J.A. is entertaining him to dinner and this, we think, should be enough. J.A. should say some soothing but delaying words to him.

National Executive. The Policy documents on Full Employment and Financial Policy, Coal and Power, and Transport, pass almost without comment and are to be issued.

*So we get out first on Full Employment
H.A.C. Section Report (11-5)*

Oliver Stanley comes to see me to say how very disturbing is our Palestine paragraph in I.P.W.S. It is, he says, "Zionism plus plus". It is tacked on, he feels, rather unnaturally, to a long and helpful statement on Europe. It will not, he hopes, be much played up in our propaganda. I say that I don't think it will. But I remind him that the Labour Party has always taken a pro-Jewish line in Parliamentary debates for many years. He is afraid that it may do harm in Palestine, both by encouraging the Jews to believe that the next British Government, which they think may well be a Labour Government, will do everything for them, and equally by unsettling the Arabs.

To bed early!

27. 4. 44

See E.B., at his request, on Tinplate redundancy scheme. He is very anxious I should not give way to the manufacturers. He has upbraided Deakin for having "sold his soul for the sake of a few pounds for some of his old men." E.B. asks me to let him have the manufacturers' latest scheme, which he would like to show to Bruce Gardner, and afterwards to discuss with me. E.B. thinks very well of Sir W. Palmer, who, I say, is advising me on this.

E.P.A. this afternoon. J.W. and others report

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on their West Indian trip. They tell a very good story. (J.W. tells me privately that the Duke of Windsor seems to be working very hard in the Bahamas. He has practically given up drink, taking only one glass of wine with his dinner, and nothing between meals. Mrs Simpson said to them "The Dook's working very hard." J.W. had the impression that the "Dook", who now speaks with a strong American accent, would like "a spot of promotion soon". But it is difficult to see where to send him. J.W. takes a gloomy view of the Whites in most of these West Indian islands. They dislike the idea of any new crops other than sugar almost as much as the coal owners in the Rhondda dislike the introduction of new factories. It will lure their labour away. The Blacks, J.W. thinks, will not much longer acquiesce in being bossed by the Whites. They have an open ballot for their local assemblies, and Blacks who don't vote right are penalised. J.W. thinks we should send out one or two capable Trade Union organisers to look after the West Indian T.U.s., several of which, notably Bustamante's in Jamaica, are sheer "labour rackets". What a good thing it is that some people should go and see these communities close up. The American bases, naval and air, in the islands, are magnificent engineering jobs and are bringing in much purchasing power.)

War Cab on Commercial Policy. New subject! Finally agreed that I should prepare a fresh paper - this will be about No.100! - to be put in for the Doms. P.M.s next week, making it as non-controversial as possible, and explaining that Ministers here are not united and that an All-Party Government finds it much more difficult than a Party Government would, to reach agreement. Amery presses to be allowed to put in to the Doms.P.M.s an alternative programme, but the P.M., very bored with him, shakes his head violently and says "No, no, no." The P.M. is on my side - he says to me to-night, "I agree very much with many of the things you say" - but is troubled by the split, and the active pro-Preference agitation, in the Tory Party. But he

warns Hudson, who is as difficult as usual, pressing his demand for the right to impose quota restrictions on food imports into this country, "You are preparing for yourself a terrible electoral disaster. I remember 1906, when less than 100 Conservative Members were returned."

Very weary after all this, I go to bed early. This National Government will never reach decisions on many of these questions. I feel to-night that it is imperative, soon, but not too soon, after the defeat of Germany, to burst open this ragbag of all the political Parties and try for a majority of our own. The P.M. said to-night "I am always doing my best to hold you all together until we have won the war." It is amusing to observe that Beaverbrook is not on the list of those attending the Doms.P.M.s talks. Clearly this is because Mackenzie King would hate it so. The latter, I am told a few days later by Sir F.White, keeps at the end of his study, in Ottawa a little shrine, with a curtain drawn in front of a photograph of his mother. M.K. has never married. He has no personal friends. He is incredibly "astute". With few short breaks he has been P.M. of Canada for 20 years. His moral strength comes from his belief that he is constantly in communion with his mother.

28. 4. 44

Catch 8.55 a.m. train to W.I., where I spend three nights. A very perfect weekend. All the gray-leaved trees are breaking, Service Trees, Whitebeams and Lutescens. Flowering Crabs at the bottom of the slope are at their miraculous best. The Spirea on the top terrace is a pure white cloud, and the fresh green of the Beech is breaking almost while one watches. I sleep and read and write a lot and have tea out on the terrace each day.

*including a historical
analysis of R, -*

DIARY1. 5. 44

Back from W.L., after wonderful weekend weather, spring sunshine, and a good deal of miscellaneous composition.

D.J. to see me and report on progress with regard to Location. A good deal is going on, but he often feels that he could get on faster if there was more impetus, particularly among some of my Permanents.

2. 5. 44

(Just a note later 1 part in
to W.L.)

E.P.A. lunch to meet Maharajah of Cashmir and Sir Firoz Khan, the Indian representatives at the Conference. The Maharajah was once better known as "Mr A." Amery makes a short speech, in which he strikes a slightly defeatist note, rather unfortunately I think, suggesting that we might encounter set-backs in the impending military operations.

Boots & Shoe

Chester and representatives of the Footwear Union to see me. They have worked out a post-war plan, but they have not been able to get the employers to discuss it with them. Many of the matters raised belong to the Ministry of Labour. But they also want an Industrial Board for the industry. I explain to them that this can only be considered on the basis that there is an independent Chairman and other independent elements appointed by me, and that the powers of the Board are clearly defined, so as to exclude the possibility of restrictive practices. They go away, I think, reasonably well satisfied, and I undertake to ask the employers to discuss their plan with them.

Dine with C.R.A. at the Connaught Hotel. He has invited 6 or 7 Labour M.P.s, a very well chosen bunch - J.W., Woodburn, Hubert Beaumont, Burden, Arthur Jenkins, Mainwaring, and John Dugdale - to whom I am

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asked to expound, quite off the record, the work and interests of the Board of Trade. We discuss, in particular, the question of Ministers shifting unsuitable Civil Servants and generally reshuffling their staffs. I give them some of my personal experiences. It is felt that this discussion might be continued on another occasion. I felt this evening that several of these people would make quite useful Ministers. The Parliamentary Labour Party is not quite so empty of ability as one sometimes feels.

3. 5. 44

Large deputation from Middlesbrough and Tees-side. I give them nearly two hours and they are quite satisfied with their reception. They want the boundary of the North-East Development Area extended to include them. But they play into my hands by producing no exact proposal for the new southern boundary. I ask them to send this and I will have it carefully examined. We have an interesting discussion on the possibility of developing the docks at Middlesbrough and the future of the Iron and Steel industry and of I.C.I. in this region.

Librach to dine with me at his own request, transmitted through G.J. He is very intelligent. He thinks that the Russians don't want so much either the Curzon Line or any other Line, as to break down the real independence of Poland.

4. 5. 44

Attend A.C. for first time this session. Pethick talks good sense about the Monetary Plan. He has seen Keynes and proposes to give cautious support to the plan in the debate next week. This is agreed to. M.Hughes then makes a statement about I.C.I. and other cartels. Mere rhetoric! He wants a Select Committee to be appointed to enquire into these charges. I say I

/am

am against this. Such a Committee would tell us nothing new, would be an excuse for delay, and would take a number of people off their war work in order to justify themselves before the Committee. I have already made up my mind what changes in the law are necessary, and have put these up to my colleagues. The most useful thing the Labour Party can do is to get down to a practical study of the problem. What new legislation, and new powers, are required? A.G. suggests that the National Executive might arrange for such an investigation, in which some interested M.P.s might participate. I say that I think this could be arranged. And so the thing is left.

Footwear Federation to see me - Newton, Bott and Colvin - chiefly to talk about deconcentration. They are sticky about meeting the Union and discussing post-war arrangements.

Lunch with Linen Drapers, under pressure by D.Kirkwood. Hugh Fraser in the Chair. He does not create great confidence.

Discussion with Gordon Russell, Lebus, M.Williams and Richards on U.Furniture, with special reference to greater use of soft woods. I impress upon them the value of the Portal houses, in so far as these are going to have built-in metal furniture, thus reducing the demand for U.Furniture.

Sir Frederick White to see me. I am anxious to get him to say that he doesn't wish to go on as Chairman of the Films Council. In this I succeed. This clears the way for an approach to Drogheda. I ask F.W.whether he does not think that after six years we should have a few changes. He says he thinks we should. His doctor has told him to do rather less and he thinks that next year may be very active for the Films Council. This goes off better than I had expected.

Reception to Doms.P.M.s and their staffs at No.10. I have a word both with Peter Fraser and Curtin,

/both

Dalton I 30 (118)

Barrett was in
V. m. for 1913.

both most friendly. P.F. asks me to arrange again for him to meet some of our younger Economists, whom he met with me last time. Curtin, who seems in very good form, tells me that my visit to W. Australia is still very clearly remembered. Shedden, who last time he was here with Menzies was advocating an Australian National Government under the latter's premiership, and asked me to tell him the inside story of how we formed ours, to whom I replied that I thought Menzies should be prepared to serve under Curtin, since the Labour Party was the largest single Party in Australia, is now the most devoted servant of Curtin. He praises him highly and says that Menzies has completely fallen out. Civil Servants, I suppose, must be time-servers. But this, I thought, was faintly indecent.

Molly Hamilton to dine with me at Josefs, after which I go back to her ground-floor flat at 35, Argyle Mansions, which I had not seen before. It is quite charming. She is in very good form. She is soon leaving the Reconstruction Office and going back to the M. of I., where she will be rejoining the American Division. She says that, reading minutes of Ministerial meetings, she begins to realise how heavy a job Ministers have! and, in particular, what a lot of work is being put on to the Board of Trade. She thinks that people outside the Government circle don't realise how heavy a drive Ministers have. She herself has seen quite a good deal of the inside, from various angles and under various Ministers. She is a person of exceptional gifts and understanding. I feel that I should see her more often. She and I agree on a great many questions. She is very much delighted with my I.P.W.S. She says that she agrees with every word of it and is proud to belong to a Party which puts it forward. We speak of the strange emotional attraction which, now Germany, and now France, exercise on many people whom we know.

She is a very good friend.

5. 5. 44

Lunch with Cudlipp at Boulestin's. He is

/clever

clever and quick, but not really very attractive. He says, as often before, that Labour Ministers don't keep him informed so that he can be helpful in the Herald. C.R.A. tells him nothing. E.B. is friendly when they meet, but everything may change within 24 hours. We speak of the Party Secretaryship. He says M. Webb was much hurt by not getting it. We wonder whether he should not now try to enter the House. I think he should, since there will be great openings for able young men in the next Parliament. He says M.W.'s health is now pretty good, though he tells me, what I did not know before, that M.W. as a boy had very poor health and spent some years in a sanatorium. We speak also of the I.P.W.S. and I tell him the story of the composition of this. He is frankly frightened of my Palestine paragraph. He has more sympathy with Arabs than Jews. He asks, rather absurdly, why the Jews shouldn't all go to the British Empire and the U.S.A. Why need they go to Palestine? He thinks that many people will dislike the sentence saying that the good Germans cannot restrain the bad Germans. I said I thought this was very friendly towards the Germans, and I cannot understand why so many people are so much more anxious to be nice to Germans than to Russians and all the other European peoples whom Germans have overrun, oppressed and tortured. We agree to meet again soon.

To W.L. this evening.

DIARY6 & 7. 5. 44

At W.L. Nearly all the grey-leaved trees are now full out, and the Lilac will be out soon. Come back on Sunday night, very reluctantly.

8. 5. 44

I am once more advised by my officials to make less footwear for children and more for grown-ups. They now want to cancel the last switch in the opposite direction. I recall to them that I have consistently gone against their advice in this matter and have so far proved right. And there are still many complaints, though less than there were, about the children's, and relatively very few about grown-ups', footwear shortages. I, therefore, ask them to work out some smaller degree of re-switch, which, after a few days, they do, and I assent.

With Portal to see his prefabricated house. I like it very much, especially the built-in metal cupboards and other furniture.

This afternoon we have another go at the Draft White Paper on Full Employment in Woolton's Reconstruction Committee. The bit on Location of Industry comes through pretty well unscathed. The bit about stabilizing purchasing power and not bothering too much about balancing the budget has been toned down a good deal under the pressure of the Treasury. This passage "now reads like an antiphone by Keynes and Eady", as Cherwell says. I ask Hopkins whether he does not think this is a step back from the Steering Committee's Report. He says he thinks

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not, but this is for the general public, whereas the S.C. Report was for a narrow circle of Ministers and officials. Some of us think it most desirable to get this W.P. out before Beveridge. If so, we must hustle. It is left that W. will now revise it and circulate it once more, and, if no strong objections develop, it will then go to the War Cab. I wonder whether some tiresome person, the P.M. or another, will sprag it there. Certainly this is not government in too great a hurry!

To-night I attend the War Cabinet meeting with the Dominion P.M.s to discuss "economic policy". There were two items on the agenda, (a) Monetary Policy, and (b) Commercial Policy. J.A. was to expound the former and I the latter. J.A. begins, and then the Dom.P.M.s speak in turn. MacKenzie King sticks to the point and hands in a neat little typewritten statement. But then Curtin brings everything in, protection for Australian secondary industries, Imperial Preference, state trading, migration, etc. He is very insistent on Imperial Preference. They are now producing, he says, for a population of seven millions, with a large part mobilized for war, an output enough for twelve millions. (The Australian Labour Party has always been extreme high-protectionist.) Then Fraser, following this cue, says very little about money, but much in favour of Imperial Preference and protection of New Zealand industries. He adds, what Curtin didn't, that quantitative restriction of imports is vital to New Zealand. And then Smuts says that he doesn't believe the Americans will ever agree to reduce their tariff. I felt I couldn't get in before this, since the rota of Dom.P.M.s must be observed. (The Indians, and Huggins from Southern Rhodesia, are rather obviously treated as being "below the line".) Also I feel, particularly after Curtin's and Fraser's speeches, that there is just no hope of getting on, and that it would be a great tactical mistake even to suggest further official discussions with the U.S. on this. I, therefore, merely explain briefly the need for the U.K. to expand its exports by at least 50%, i.e., from about £500 to about £750 million pounds a year, and add that we must therefore

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look to increased exports, both inside and outside the Empire. I add that, although there are differences of view on this within our 3-Party Government, all Parties are anxious to develop Empire trade by all practicable means. There is no proposal here that Imperial Preference should be abolished, except by unanimous agreement of those concerned, or even reduced, except in return for a substantial quid pro quo. This must include better terms of entry for British goods, not only into the U.S. market, which took only about 6% of our total exports before the war, but into other non-Empire markets, including many in Europe where we were blocked out before the war by quota restriction. In this rough sketch we have safeguarded, I suggest, the right to subsidise home production without limit, and likewise, subject to reasonable conditions, infant industries and state trading. But frankly I feel I am making a rather perfunctory statement, merely in order to get it on the record. There is just no hope of moving on along this line at all for the present.

9. 5. 44

Molly Hamilton to lunch. We have a very interesting talk. She is coming on the International Advisory Committee of the Labour Party, and is quite pleased to hear of the large revision of the personnel.

C.R.A. has a meeting of Labour Ministers in his room to discuss to-morrow's Party Meeting. It is agreed that we must try to get a majority in support of the A.M.

Portal and Sir G. Bruce to see me on South Wales. The latter is inclined to set up a little too ambitious ~~an~~ Advisory Committee. We must keep the main decisions here at Headquarters.

G.J. to dine with me. I have not seen him for some time. He says, as previously, of A.E. that "he has

/no

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no mind, only a mass of antennae". Further, it is very difficult to discuss foreign policy nowadays with him, because, as soon as one begins, the Chief Whip is announced. He is fascinated by leading the House of Commons. He risked his arm, however, the other day, by saying that we would recognise the French C.N.L. when we landed in France. G.J. thinks the Prime Minister's influence on foreign affairs is not at all good. He is incurably romantic. He had F. MacLean down to Chequers the other day with one or two others recently returned from the Balkans, and harangued them for four hours about the merits of the Yugoslav and Greek bandits. None of them could get a word in edgeways to report to him what had actually been happening. Also he has now an intense personal feeling against de Gaulle, which colours his whole outlook on France. This may result in de Gaulle becoming thoroughly unco-operative with us. And yet it is imperative that we and the French should work closely together after the war. de Gaulle will be tempted to try and play us off against the Russians, and even perhaps against the Germans. The Russians, meanwhile, are still very suspicious that we want, after the war, to make friends with the Germans again and use them against the Russians. (This suspicion, I suspect, will have been fanned by the most disgraceful leakage in last Sunday's (7th May) Observer of Gusev's suggestion to the E.A.C. that all the German Army should be regarded as prisoners of war and required to take part in reparation of damage in Russia and elsewhere. This leak added, quite accurately, that we and the Americans had said that we could not support this, since it would be a breach of the Geneva Convention regarding treatment of prisoners of war. But the Russians, not having signed this convention, would be free to take a different line. This matter is to be taken up very vigorously by Ministers with the Editor of the Observer, who is to be told that, if he does not voluntarily disclose the source of his information, H.M.G. will exercise all their powers to extract this information. I am half inclined to suspect some American official of the E.A.C. Secretariat talking to David Astor.)

/G.J. tells

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G.J. thinks that it is inevitable, as the Russian Armies move forward in the East, and as Poland and Czechoslovakia are liberated, that, whatever happens in the West, there will be the most unimaginable chaos in Germany, where all the prisoners of war and slave labourers will, no doubt, rise against the Germans. He does not see how food supplies, communications, etc., can possibly be maintained. He thinks we have not yet fully envisaged the extremities to which a great part of Europe will be reduced in the last phases of the war.

10. 5. 44

Party Meeting. By 71 to 60 my colleagues, as I thought they would, dodge the issue on the proposed expulsion of A. Bevan and refer the matter to a joint meeting of the National Executive and the Administrative Committee, with a view to the prevention of future occurrences of this kind! It will now evidently be wise to let the whole thing go to sleep and to give A.B. no further opportunity for self-advertisement.

Attend ceremony at the Guildhall of Presentation of the Freedom of the City to Curtin and Fraser. The former makes an excellent speech without a single note. This performance, I think, puts the latter off his balance. He had prepared careful notes, but now feels he must not use them. He therefore goes on a good deal too long and seems to find it impossible to finish his speech, though what he says is quite good. Later, after lunch, they both speak again. Curtin this time uses a lighter touch and, at long last, we have a reference to cricket! We are defending in this war, he says, not only the City of London but "the 22 yards of turf at Lords", on which, etc. Fraser also redresses the balance by making a shorter speech, this time, than Curtin, praising the Maoris, recalling the football exploits of the All Blacks and the try by which they beat Wales in 1908, about which, he says, old men still argue for hours in New Zealand.

/Finally

Finally, he wants to redecorate, with New Zealand wood, etc., part of the rebuilt House of Commons.

In the afternoon hear in a Committee Room at the House a statement by Brigadier Fitzroy MacLean on Tito. He looks much improved since he shaved off his long, drooping moustache. But he speaks very, very slowly and is very guarded in all references to matters outside his immediate mission. He says Tito has 300,000 men, organised in ten Corps which inter-communicate by wireless and by couriers. Tito, he thinks, is the greatest master in Europe of guerrilla tactics. His following is 50% Serb, 30% Croat, and the rest Slovene and Moslem. The original driving force behind his organisation was Communist, but all Parties are now in it. The German reprisals are exceedingly brutal. When they come to a village from which all the men have gone up into the hills with Tito, they massacre indiscriminately all the women, old and young, and all the children. The Partisans count it a defeat unless they kill at least five Germans for every man they lose. Mihailovic is unquestionably co-operating with the Germans. This has been so since the end of 1941.

11. 5. 44

Ministerial Committee on Supplies to Liberated Countries, which has not met for some time, assembles with O.L. in the Chair. On the whole, rather a useful meeting. I strongly urge that we should not get tied up in some international planning machinery to determine the destination of our exports of capital goods. If we are to have any imports of food and raw materials at all after the war, some of our exports must be paid for! They cannot all go forth as "relief", or "on credit". I also mention our negotiations with Russia, who will anyhow wish for large imports of capital goods, in return for which we shall hope to get a lot of urgently needed timber. It is generally agreed that the Combined Boards are the right machinery for considering claims for "rehabilitation"

in the form of capital goods, which can, in effect, only be supplied either by us or by the U.S.A. There are also to be "tripartite liaison committees" between U.K., U.S. and a number of European allies separately, beginning with Belgium and Holland. The essential point, as I see it, is to handle this very difficult problem in such a way that we are not confronted, in any one committee, with a number of separate allies each putting up claims in the presence of the others. The Minister of Food and I also succeed in persuading our colleagues not to repeat, at the next meeting of the U.N.R.R.A. Council, the tactics which led to much heat and a very unseemly division, with the U.K. and the U.S. on one side, and all the European Allied Governments on the other. This was because we and the U.S. had argued that, out of our contributions to U.N.R.R.A., should be met the cost of feeding the populations of enemy countries. Naturally the European Allies thought this would result in their getting less, and the Germans more, than would otherwise be the case, and emphasised that U.N.R.R.A., as its name implied, was not concerned with enemy countries at all. Whatever, they argued most reasonably, as I thought, had to be done for enemy countries should be done, not out of funds and supplies allotted to U.N.R.R.A., but by independent, even if parallel, action, with which they would not be directly concerned. It would also be a great mistake to press this point again, since it would tend to increase Russian suspicions. It is now said that, given the zones of occupation of Germany provisionally allotted to the three Great Powers, most of the food in Germany - which in total is probably quite considerable, since the Germans have now more than a million additional workers on the land as compared with pre-war - will be within the Russian zone. It is to be hoped that some of this will be available for the Poles and the Czechs, and this is to be taken up with the Russians. The Russian zone is to extend to the Elbe, though excluding South Germany, which is in the U.S. zone. Our zone is North-western Germany up to the Elbe. I should have thought that there should anyhow be a good deal of food in the U.S. zone, but it may well be that in our zone there would be considerable

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shortage, and this, when the time comes, will have to be met somehow. But it is most important that we should not seem, at this stage, to be contemplating a diversion of scanty supplies from our unfortunate occupied allies, whatever may have to be done when the time comes.

Drogheda to see me. He is quite willing to take on the Chairmanship of the Films Council. He looks rather frail, but has a neat wit. He says that he hears from people recently returned from the U.S. that there are four great hatreds there, in this order of intensity: (1) President Roosevelt, (2) Japan, (3) Great Britain, and (4) Germany.

Lunch with Bernard Westall, who, I hope, is opening out a plastics factory in the North-East, and the Egyptian Ambassador. They wish to interest me in a project for a plastics factory in Egypt, to supply the Middle East, and to import plastic powder from Westall's Works here. I don't like Westall very much. He is, I think, both rather unpleasant and rather mad. But if he will get work going in the North-East, I will forgive him both.

Reception by Cranborne to a multitude of people vaguely associated with the Dom.P.M.s Conference, including swarms of officials from all Departments. I have a word with Norman Robertson, who is very sad at what he calls the "confused and ignoble end of the Commercial Policy proposals". He asks why I didn't intervene earlier and with more emphasis. I say that I couldn't break in to the series of Dom.P.M.s and that, in fact, the policy was now quite impossible for political reasons in this country. There had been strong representations against it by the Conservative Party to the P.M., who himself was in favour of it, so far as he had had time to study it, and there had even been a threat of resignation by at least one Conservative Minister (Amery, though I did not name him). P.L. afterwards said to me that he quite realised the thing was now

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politically impossible here, and that he supposed what was most likely was a series of bilateral arrangements between the U.S. and the various Dominions, in which each of the latter would make concessions which would be helpful to them but not to us. None the less, by this most unsatisfactory means, the British Empire would be able to escape any American charge of bilking on Article VII. After an interval it may be possible, I think, to resuscitate our general plan. But not yet.

12. 5. 44

L.P.'s Cttee. O.L. has put up a paper on Standard Factories, asking approval of the 17 Ministers present to a lot of detail, including sites in all the D.A.s. Portal and I have agreed that this is an absurd procedure. Such detail should be handled between two or three Ministers at most, and not in this Committee. I am also faintly embarrassed by the fact that one of these factories is, as stated in the paper, to be at Bishop Auckland. I ask O.L. to explain that this has been done without my knowledge or approval! Fortunately, other business takes a long time and this item comes on right at the end. O.L. makes the necessary statement about me, which is greeted with benevolent laughter, E.B. asking "Where is Bishop Auckland?" O.L. says he doubts whether he really need have put the paper in at all, and C.R.A. in the Chair says it is really quite unnecessary for the Committee to consider it; these things should be arranged inter-departmentally. And so it all goes through, including the holloware factory at Rheola, about which E.B. has been making difficulties, and also the factory in Northern Ireland.

Sir T. Ainscough, Trade Commissioner in India, now on the point of retirement, to see me. He thinks the Indians will go ahead rapidly after the war with heavy industries - iron and steel, heavy chemicals, etc. - as well as with textiles. There is no chance at all for Lancashire cotton goods in the Indian market, except for

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very high-grade specialities, and there is certainly a serious risk that Indian imports will push Lancashire out of a number of other markets. On the other hand, the Indian methods of distribution and marketing are very inferior to Lancashire's, and this, he thinks, is likely to remain true. This may save, e.g., Ceylon for Lancashire. The delegation of Indian industrialists, who are due to be here in about a month's time, will, he thinks, put up a number of proposals very much to their advantage, but not so obviously to ours. Birla and the younger Tata, who is married to a French wife, will be among our visitors. Both of these are extreme Congress politicians. (It is notorious that Birla has kept Gandhi afloat financially as well as normally acting as his host at Bombay.) We have a word on the Indian sterling balances, which, Sir T.A. says, the Indians are apt to regard as withdrawable on demand. He thinks they will amount to some £1400,000,000 at the end of the war. I say that I have been profoundly shocked at the improvidence of our pre-war arrangement with India on this subject. He says that it has resulted, among other things, in India having obtained, in Indian ownership but at our expense, a large number of brand new industrial installations. Reverting to Lancashire - he is a Manchester man by birth, education and early training - he says that the machinery of our cotton industry is the oldest on earth, and the Lancashire manufacturers seem completely satisfied. They will have, he thinks, a short "Indian Summer" of about three years at the end of the war, but beyond that their prospects look pretty dim. I shall arrange for him to see Amery.

Palmer to see me on Tinsplate. Colonel Bevan has now written me a slightly threatening letter in reply to my request, before giving my certificate to his Redundancy Scheme, for more exact information as to where the new mills, admitted to be necessary for the modernisation of the industry, will be, and what steps have been taken to procure the necessary finance. Colonel B. now says that he may have to tell the trade all about it by the end of the month. This leaves me quite cold. Not

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only E.B., but also the Board of Inland Revenue, have been telling me that they consider I ought not to give the certificate in any case. The Board of Inland Revenue, on the official plane, have "intimated" that they would have to advise the Chancellor against agreeing to any such suggestion, were I to make it. Palmer says that he has been going into the matter further and is more and more strongly of opinion that I ought not to give the certificate, since the scheme would provide, at the expense of the consumer, who would have to pay more for tinsplate, and of the Exchequer, that all the participating firms in the industry would receive more than they gave. I ask him to have a word, discreetly, with Bruce Gardner, to test whether E.B. has yet shown the latter the Redundary proposals.

DIARY12. 5. 44 (contd.)

Warter and Jay to see me with very good news. I.C.I. want to build a large new Works, to employ 5,000 people, south of the Tees and a few miles east of Middlesbrough. This would be a perfect location from the point of view of Cleveland, where the ironstone mines seem bound to go completely dead within a few years after the war. It would also draw both labour and supplies - especially coal and salt - from Durham County on the north bank. Sir J. Nicholson asks whether, if they decide to go ahead, they will have as good industrial building priority as the Development Areas. I tell P.W. to say yes, and it is now clear that the balance of advantage is definitely in favour of bringing in the industrial strip on the south bank of the Tees into the N.E.D.A. This is the best single prospective move in the North-East since Billingham.

With H.G., Dora and G.P. to the Premiere of "Canterbury Tale". A queer show. Practically no story, and what there is rather lousy - a local J.P. pouring glue in the dark on girls' hair in order that soldiers shouldn't want to go out with them but should come instead to attend his antiquarian lectures on the County of Kent. But there are some very lovely pictures of Kent in the Spring and of Canterbury Cathedral, and some first-class acting, including a young American sergeant, which should build up - if they don't find it too intolerably slow - good feelings in England and the U.S.

To-night the new offensive in Italy has started.

13. 5. 44.

To Datchet to see Mrs B., who seems quite content to stay on at Sherry House, with three other ladies, until it is disposed of. Meanwhile, this is

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going rather slowly, and, though eight or nine people have come to see the house, only one, a Mrs Pitkin, seems really keen to have it.

14. 5. 44 (Sunday)

R. is staying for a few days with the Clifford Smiths in Hampstead, and we talk this afternoon about her future plans when she joins U.N.R.R.A. next month. This will be a much more suitable job for her, particularly if she gets, as she hopes, deeply involved in arrangements for France and is able to cross the Channel as part of the first U.N.R.R.A. mission in France.

15. 5. 44

Visit with Simmonds the Officers' Kit Replacement Organisation. He says afterwards that he had the feeling that all the women there were mad, and indeed it was a grubby show. Among those there was Mrs Oliver Harvey. This visitation, following my talk with R. yesterday, makes me feel more than ever that she is right to prefer working with a public, rather than a private, organisation.

Molly Hamilton to lunch at the Acropolis. She is moving to-morrow to the M. of I.

Reconstruction Committee on T. & C.P. Labour Ministers dig their feet in and make loud noises on the basis of land purchases. The original idea, based on Reith's declaration, was that no land would be sold above 1939 values and that much land would be sold for less than this. Hence the phrase "1939 ceiling", though it is only fair to add that there was also a reference in this statement to "special cases" where the price might be above this. Since then, in various discussions, we have drifted to a position in which, instead of nothing above

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the ceiling and a good deal below it, we are being invited to agree to nothing below the ceiling and a good deal above it. This has come about, first, through substituting "1939 standards" for "1939 ceiling", principally on the ground that otherwise there would be a serious clash with the practice of the War Damage Commission. And now we are being invited to go further and allow a "multiplier" to be applied to 1939 standards for the benefit of "owner occupiers", on the ground that otherwise they will not be able to re-establish themselves elsewhere in similar conditions to those which they have had to relinquish. It appears that "owner occupiers" are so to be defined as to include, on the one hand, multiple shops and, on the other, millionaires owning Tudor houses. When this is dragged forth in the course of cross-examination of W.S.M., who, as usual, gives the impression of not really understanding what is implied in his proposals, there is a loud howl from E.B. and myself and a slightly less loud, but shriller howl, from the Deputy Prime Minister. We say that we must all reserve our positions and that this Bill will never get through Parliament. So W.S.M. has got to think again. (At the next meeting the class of "owner occupiers" had been redefined much more narrowly, and will only apply to cases within the range of the Rent Restriction Acts. This we let through, O.L. remarking "It is most important that we should never depart from the principle, there is one law for the rich and another for the poor."

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16. 5. 44

At N.E. this morning we decide unanimously to postpone the Whitsun Conference. The press this morning carries an appeal from the Railway Executive asking people to travel as little as possible, and making special reference to conferences involving travel by large numbers of people. As the only Minister present, I state a case for postponement under three heads, (1) there may well be

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greater physical risk during the invasion than now to large gatherings in London, through rockets launched from the "military objectives in the Pas de Calais", etc., and from pilotless aircraft; (2) delegates travelling from the North may well find themselves seriously delayed both in reaching London and in getting away again; and (3) it would be quite impossible, if the Second Front has just opened, to get delegates to give proper consideration to many of the important matters which would come before the Conference. It is, therefore, agreed that we should postpone it sine die, and, as a consequence, that J.S.M. should carry on as Secretary until - perhaps in a few months time - it is practicable to call the Conference.

Joint meeting in the afternoon between Administrative Committee and N.E. on the eternal, and now incredibly boring, Bevan case, and "discipline" generally. After two hours of talk it is decided, on the motion of Sam Watson, by 21 to 9, to call on Bevan to state in writing, within seven days, that he is prepared to obey the Standing Orders of the Parliamentary Party, failing which the N.E. be recommended to expel him. Also decide that a Sub-Committee of eight, four from each body, should consider future arrangements designed to prevent a repetition of these incidents. This comes on at the end, the N.E., or what is left of it, remaining behind, and there is some danger that the N.E. representatives should be ill-balanced. In the result, Laski, who has been in the Chair to-day, owing to E.W.'s persistent absence through illness of one sort or another, Watson, Shinwell and I are chosen. The A.M. later chooses Greenwood, P.Lawrence, Woodburn and Grenfell. This is not a bad eight.

Reception in Porchester Hall to Curtin and Fraser, attended by a rather small proportion of Labour M.P.s and members of the N.E. and G.C. It is an awkward place and an awkward time. But when the party is pushed out of the large hall into the small room where refreshments are served, they just about fit. Curtin and Fraser

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both make excellent speeches, particularly the former. Both dwell on the importance of "unity" and "discipline" in Labour Parties. None of those to whom these admonitions would most suitably be addressed have troubled to attend the gathering.

17. 5. 44

Two and a half hours this morning at Reconstruction Committee on T. & C.P.

Lunch with Launderers and have to make a speech. One and a half hours in Cabinet Committee on Indian Finance. Then 1½ hours with three Scots sellers of furnishing fabrics, who complain that we are making too many clothes and too few loose covers for chairs. I tell them this is a hopeless lie. I am really getting very much ashamed of business men and traders at this time. They seem to have neither patriotism ~~nor~~ in the present nor confidence for the future. I ask these three whether they would wish a single kilted soldier in the Second Front battles to be short of anything because I had agreed to their proposal to make more chair covers. Of course they said no, but of course they did not really mean it. Who said of the mule that it had neither pride of descent nor hope of posterity? Only a slight verbal change would make that description fit these boobies.

Then three quarters of an hour with A.O., P.L. and Nowell over Lend-Lease. Stirling has now been ten days in Washington and has made no report on his progress in seeking to secure three "clarifying amendments" to proposed new Joint Agreement. But he sends telegrams suggesting that we should publish figures showing how much British exports have fallen off and various other side-line issues. I show some impatience at this and want to know when he is going to do the job he was sent out to do. Until we have the American signature agreed, I am not disposed to consider further publication of export figures,

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since this would land me in further difficulties here with the un-patriots, who think it more important to increase their exports now than to shorten the war.

Then three-quarters of an hour with J.A. and Woolton - my third Ministers' meeting to-day! - to consider whether something should be put, at this last hour, into the W.P. on Full Employment favouring bulk purchase by the Government as an aid to maintaining production and demand.

Dine with Sir A.M. Livingstone to meet Americans, and sit between Rieffler and a man, now dressed up as an American naval officer, who used to be a lot in London on behalf of the Rockefeller Foundation. I think his name is Kitteridge. We speak of the great importance of greatly increasing interchange of University students after the war and he also talks interesting good sense about making friends with the Russians through showing them, and selling them, new mechanical gadgets. He says they were quite delighted with all the clever little arrangements on the Minnesota, the cruiser recently handed over as a gift from the U.S. to the Russian Navy, and not least with the supplies of orange juice, etc., which would normally be furnished to an American crew and which were put on board to make the gift quite complete and realistic for the Russians.

I call this a rather heavy day.

18. 5. 44

And so is this, which seems like one long stream of callers and of engagements outside.

10 a.m. A.O. and others for further discussion on Lend-Lease.

10.30. Sir G. Beharrell to talk about his exports of tyres, etc., to the Middle East. Like all the

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rest, he is thinking more of post-war trade than of the war. I thought he looked a pretty good rogue.

11.15. Sir P.Hannon and six or seven persons from the British and Latin-American Chamber of Commerce. They were very bothered because the Chilean Government had instituted a sort of U.K.C.C. which might cut them out. But they agreed that I could make no useful representations to the Chileans on this.

12.15. Tom Williams, M.P., with two talkative and rather unimpressive men who want all taxes on motor-cars abolished. I don't know why T.W. mixes himself up in this.

1.15. Lunch at Dorehester to hear speech of Curtin to Australian Club. Duke of Gloucester in the Chair and our own P.M. and most Ministers also present. J.C. must be getting thoroughly bored with making speeches, and I thought to-day, for the first time, that he looked rather like a Koala bear. Something in the Australian climate must account for this. But he made another good speech.

3.30. Hewlett introduces three or four Colour Users, who are very much concerned with their post-war trade.

5.15. Visit Norgeby House and other neighbouring establishments in Baker Street, at invitation of Selborne, to see how things have got on. And indeed, they have got on famously. Operations all over Europe have grown immensely. Last month all records were broken, both for dropping and picking up personnel, dropping stores, and dropping containers. Great quantities, in particular, have been dropped in Belgium and in Savoy, to help the Maquis, and elsewhere in Southern France. They have 120 planes for this last month. The training establishments in the country have not been much expanded, but there is very good inter-working with the

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Americans, and I met one bright young American officer in charge of the Operations Room. The other principal characters were familiar - Spurborg, Colonel Barry, Tommy Davies, Archie Boyle, Robin Brook and Venner. I was told that the General had just returned from touring Australia and the Far East generally, and time forbade my visiting George Taylor. In addition to all that is being done from here, there are large operations from Italy, from which stuff is being poured into Jugoslavia on a great scale, and also into Poland, C.S. and Greece. The news about Poland is that the Germans are as brutal as ever but also all very venal. The Polish Underground Movement is said to be establishing pretty good relations with the Red Army but to be fighting furiously with the Polish (Communist) partisans. Some of the Poles who have recently come out from Poland have been speaking very bluntly to the Poles over here and are much more favourable to a real understanding with the Russians. In C.S. almost everything had been smashed up by the Germans until recently. But now there are some small beginnings of revival. There is not much good to report from North Italy. Italians do not, it seems, take easily to guerrilla activities. I ask about Germany. They say that there is still absolutely nothing there. Some people talk vaguely about "having lines into Germany", but I have been totally right in telling people that there is no effective underground movement in that country.

6.15. War Cab., when we discuss (1) policy towards Turkey, and (2) the Naval Estimates for the year. On (1) it is thought that we might now be a little less "aloof" to the Turks, who may yet be brought along a bit, as all rational reasons for fear gradually subside. It is thought that we might send them some more goods, but I issue a warning about hides and cotton textiles, though willing to play on raw wool and chemicals.

DIARY

19. 5. 44

War Cab. at noon. The Full Employment W.P., called "Employment Policy", is finally - repeat finally - approved, subject to W. and J.A. putting in some extra sentence to meet the Beaver's view that not quite enough is said about the need to stimulate private investment if trade looks like drooping. The P.M. admits that has not read the paper and that he asked the Prof. for a short note on it, but that the Prof. has produced a very long note, and that he has not had time to read this either. But he has read the first sentence, in which the Prof. says that he regards this as a very bold and ably conceived plan worthy of full support. The P.M. adds that he notices that the Committee which prepared this plan "contained all the best brain power of the Cabinet", but, before finally committing himself, he would like to hear the view of the Lord Privy Seal. The latter says that he regards this as "a magnificent scheme, a first-class scheme", and we should all certainly support it. Woolton then begins to give some general explanations, dwelling in particular on the proposed variation in the social service contributions according to the state of trade. The P.M. says he understands that what is proposed for public authorities is the exact opposite of what would be generally done by private persons, that when things look bad, they should not draw in their horns but push them out and launch forth into all sorts of new expenditures. W. replies that this is exactly so, and that it will be necessary to do a good deal of education of the public mind upon it. The P.M. says "I suppose that at such times it would be helpful to have a series of Cabinet banquets - a sort of Salute the Stomach Week?" Amid the laughter following this happy quip, the White Paper is approved for publication.

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W.C.*

David and Freda Hardman to lunch at the Acropolis. They are both very nice and friendly. His name is one of

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several now being considered for Darlington, and I strongly urge him, she supporting me, not to enter into any entanglement at Dudley or elsewhere in the Midlands, until Darlington is definitely settled. He says that Windle is pressing him to consider one of the Midland seats, as we are very anxious to get a new and better lot of candidates there. I say that this is quite all right from the point of view of the Head Office, but that Darlington would be, for D.H., very much better, in addition to the fact that I should like to have him next door to me.

With Ivor Thomas to Hereford, where I spend a weekend at Mrs Bulmer's (Adams Hill, Upper Breinton, Hereford). As when I was here before, the house is full of babies and attendant mothers. Joan now has two girls, and her sister Nancy two boys, none more than three years old. We play tennis on Saturday afternoon, I for the first time this year, but a plan for walking up the Sugar Loaf from Abergavenny on the Sunday is evaded by common consent, and the time passes lazily. On Saturday the Bishop of Hereford comes to dine. Rather a typical cleric, but with advanced views on money-lenders - he thinks there is "always something very sinister about the City" - and the Russians, for whom he has a great admiration.

22. 5. 44.

Return with Ivor and Joan from Hereford.

Talk with A.O. and P.L. on Lend-Lease negotiations, which now seem to be sticking in Washington. The Americans appear to be putting unacceptable interpretations on several passages in the "procedural supplement". I am very anxious to get something settled, and inclined to damp down the apprehensions of my advisers. I also urge them to speak to Beale about it, which, rather characteristically, they have not yet done.

/Dine

Dine with Frank Platt, just back from his mission to the U.S.A. He is much impressed, of course, with their superior methods. But they won't, he thinks, develop any export trade in cotton piece goods. As to Lancashire, I tell him I have been deliberately letting it stew in its own juice while he has been away. I did not wish to send anyone to Manchester during this time, who might have got into wrong hands. He quite agrees with this, but repeats an earlier suggestion that I should send a few people to have a quick look round and report. He suggests Keynes, Clay, George Tomlinson and Peat. I said there would be a slight problem about who should be Chairman. He had thought Keynes might be, but I point out that he cannot chair a Committee including Ministers. Also I am not sure where Peat stands. If he were sound, he might be a good choice. Platt will find out and let me know. He talks much, as usual, against Streat and of his own desire to get out of Government service as soon as he can and, if it is to be a return to the jungle, to join in the scrap.

23. 5. 44.

Two Meetings this afternoon, first with C.W., various officials and all the Business Men, including such infrequent attenders as Sir Kenneth Lee and Sir Nigel Campbell, and ~~later~~ ^{second} with Sir George Nelson. At the first we go over, rather discursively, a lot of problems, the purpose being to make the Business Members feel that they are being both consulted and informed. The purpose of my talk with Nelson is to give him a little advance information on the Full Employment W.P., and also to discuss trade with Russia, and the coming visit of the Indian industrialists' delegation (this last is not now till August).

Dine with George Wansbrough. Also present Sir E. Simon, Egerton Banks (of the Ministry of Labour, whose lively papers, including his proposal for a Birmingham-Merthyr road, I have seen through D.J.) and

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a naval officer whom I don't place. G.W. still very keen about location in the North-East and definitely talking about where he would like a new factory at B.A. His preference would be for the site next door to Lewin's on the B.A. side. Both Simon and E.Banks suggest that the Board of Trade needs to be better represented on Regional Boards. At present, Simon thinks, our representative looks rather small beside those of the other Departments. This may be so in the N.W., but I hope is not general.

Coming away, Simon and I speak of location, and I give him a rough sketch of my ideas. He says "If you could really reduce unemployment in those four areas to the national average, you could die happy." He said also that in Lancashire they have had a tremendous amount of war-time industrial building, and that the right course was not to regard all this as a net addition to the industrial capacity of the region, but to treat some of it as a replacement of old and out of date Works.

24. 5. 44.

Anderson, the London representative of the Stockholm Socialdemokraten, to see me. I greet him with much pleasure, having thought that it was Frank Anderson who was coming to bore my head off. A. asks me for a message for Moeller's birthday, but I explain to him, and he sees the point at once, that this would never do at present. It would be over-emphasised. I ask him, however, to give Moeller a private message of good wishes from me, but with the request added that Sweden should stop sending ballbearings to Germany, and similar messages to other of my Swedish friends.

P.M. opens two-day debate on Foreign Affairs. It was by no means one of his best speeches; particularly at the end, he gave the impression of being very tired.

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There was little fire in this speech, and he stumbled over his words; "Communism" or "Christendom", he wasn't quite sure which he meant to say at one point. There was, however, a very frank passage about the Turks, saying that we had been disappointed by their excessive caution and that, since they showed no inclination to come into the war on our side, we had ceased to send them arms, which were badly needed by those who were fighting. He was rather grudging about the French, and the objection to giving full recognition to the F.C.N.L. until we knew who really represented the mind of France.

E.B., meeting me just afterwards, shook his head over the P.M.'s speech and hinted that his health and stamina was again rather poor. But E.B. is apt to be alarmist on this matter. C.R.A. told me later that the P.M. had been sitting up till 3 a.m. preparing this speech. In any case, on the eve of great events, it must be a great effort to concoct this sort of oration, and I really don't know why he thought it necessary, just at this moment, to do it at all.

Meet at lunch, along with Durbin, Cobb, Managing Director of Mullards Valves. This man makes a good impression on me and is very anxious to become a Labour candidate. He is to be put into touch with Elland and, like others, is being pressed by Transport House to take an interest in Birmingham. He thinks he could go on in his present business even if elected, and has many bright ideas on trade and, in particular, on distribution. He would be a very welcome addition to our Party. He has had a mixed life, having started as a small boy doing a milk round, and having been a sailor and a number of other things and travelled in most parts of Europe and Asia. He is now 43 and full of energy.

Latham and Silkin meet C.R.A. and other Labour Cabinet Ministers to discuss the Uthwatt Bill. They are much opposed to this, but L. is so pompous, long-winded,

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and repetitive, that C.R.A. shows considerable irritation. The short point is that the L.C.C. thinks that, under this Bill, the procedure for acquiring land would be too slow, and the price to be paid would be too high. There is much to be said for both these arguments.

Later this evening at 7 o'clock there is a War Cab. to consider this Bill, and it is agreed to put it off for a fortnight in order that further consideration can be given to it. This move is initiated by Labour Ministers. H.M. said that he thought we were likely to get into a bad Parliamentary jam if we went on with it in this form. The real danger would be that there might be a hostile vote on the Second Reading. The Labour Party will think the Bill too slow and too kind to the land-owners, and this view will also be taken by a large number of Local Authorities, including many with Tory majorities. On the other hand, many Parliamentary Tories will think the Bill too Socialistic and too hard on the land-owners. The P.M. supports the suggestion of another fortnight and thinks that before long people will be thinking of quite other questions.

Dine with Robin Brook, with G.J., George Taylor, whom I had not seen when I called at Baker Street the other day, Barry and Peter Wilkinson. A very good bunch! P.W., in particular, has been doing very gallant things and is soon going back to do some more. He has even been a few miles into the Reich! But most of his time has been spent in Tito-land. He fears there may be a most bloody civil war in Yugoslavia anyhow. We speak a little of the Polish prospects: They all praise Mikolajczyk, whom also the Russians are said to like. But it looks as though the Russians will soon be setting up, or arranging to have set up, a Polish Government west of the Curzon Line. It is thought by the others that the Czechs have completely "sold themselves to the Russians" but it is not very clear what else they could have done. There is no strong resistance in C.S. now. P.W. attaches

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importance to Austria and thinks there might well be a Socialist, as distinct from Communist, post-war regime here. (The present idea is that A. should be jointly occupied by the Russians and ourselves, the Americans not wishing to get involved in Europe "so far east".) We speak of the future frontiers of Italy, and I advocate giving nothing to the Germans or Austrians and something to the Yugoslavs, i.e., letting Italy keep the Brenner line, but making the Isonzo the eastern frontier, with provision for transfer of any Italian minorities on the Yugoslav side of this. P.W., who speaks with knowledge, says that the Slovene organisations in Trieste and Istria are quite magnificent and would very quickly take charge if given half a chance. He also says that Tito would like to include the Bulgars in a South Slav Federation. We all agree that there would be a lot to say for this, though the Greeks wouldn't like it. P.W. says that around Ljubljana there is a barbed-wire fence five feet high erected by the Germans to keep out the Partisans. But these are very much in evidence all over the rest of Slovenia and Venezia Giulia.

DIARY25. 5. 44

My Patents Committee holds its first meeting this morning and I say a few encouraging words to them. They look an older lot than my Committee on Company Law. I think Swan will be a bit slow and deliberate, and I think that Mrs Robinson ought to have some fun.

Locker to see me. He is, naturally, very pleased with our Palestine paragraph, particularly as we have put it in, as he says, without any pressure from the Jewish Agency. (He is, of course, their liaison man with the British Labour Movement.) He argues against our giving way - which we have no intention of doing - to the suggestion that we should amend the reference to "encouraging" Arabs to move out as Jews move in. He agrees that it is quite clear that "encouragement" in this context does not mean "compulsion". I ask him to send me any further points on this.

Have a preliminary discussion with A.O. on the new set-up here for dealing with Location. I say that I want D.J. to become the P.A.S. in charge. He does not take this idea very readily, having already reopened the negotiations, which I had allowed to lapse some months ago, to secure the return of Beer from the Ministry of Supply. He has reached a deadlock with Douglas and has now written to Hopkins asking for his good offices. A.O. is, however, quite clear that the new Section should be dis severed from the Watkinson-Kilroy Department, and I tell him that I agree with this, since there are a great number of industrial questions now coming along which will fully occupy the other post-warriors. I also say that I would like Palmer to be in on Location, at any rate for consultation on difficult points. We agree that we shall discuss this further next week, and, on the following day, before leaving, I put down on paper my views and send them to A.O. for the benefit of his further reflections. I

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was anxious, in particular, to stop, at this stage, the negotiations for the return of Beer. I am quite sure that D.J. will do this far better than anybody else, and quite determined to promote him.

Am invited to dine by Sir Frederick Shedden, and supposed that we should be alone together. I had yesterday received a note from Curtin, in which he said he was very sorry that the pressure of official engagements was so heavy that he could not find time for the talk with me to which he had been looking forward. To-night, however, on arrival at Shedden's room at the Savoy, I find Curtin is there, and we dine à trois. After some general talk, J.C. begins to criticise the P.M. and, still more, his entourage. "That old boy's no friend of yours", he says, (he means of the Labour Party generally), "and the people round him are even worse. That old Professor, for instance. He said to me 'Of course everybody knows New Zealand would have gone bankrupt if the war hadn't come at the right moment'. I said 'Your crowd, including the bankers in the City of London, tried to keep New Zealand's temperature down to about 95. She got it up to about 99 and could have kept it there, if you hadn't tried to force her down again to sub-normal. But the war just stopped that game.'" As to the Beaver, J.C. related that he said to him one day "You must come down and stay with me. I want to talk to you." J.C. asked "What about?" The Beaver replied "Oh, anything", and J.C. said "Well, you can talk about anything here if you want to", i.e., in the Cabinet Room at No.10. Nor had he been at all taken by Bracken. Then he said "I have been looking about and listening a good deal while I have been here and I am not at all happy about the state of the British Labour Party. I hear that Bevin does not intend to go on after the next election. Herbert Morrison ought to go and get his hair cut. He looks too eccentric and lots of people don't take to him. They think he is conceited and too much identified with London. I don't think he goes down well in the country as a whole. As for Clem, of course no-one can say anything against his sincerity or his loyalty, but he
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doesn't look to me much like a Prime Minister. I don't think the country thinks he does." I then related the story of 1935 and the contest for the Leadership of the Party, and the part which I had played on behalf of H.M. J.C. then looked at me rather hard and asked "Does that mean you feel bound to him for next time?" I said "Not necessarily". I had referred, in connection with this story, to A.G. J.C. said "Well, of course, I hadn't been thinking of him at all - for obvious reasons". I said "Yes, everybody knows he is the victim of his habits." (I noticed that neither J.C. nor F.S. were drinking anything but water at this meal, though they had insisted that I should have a double whiskey. J.C. was supposed, at one time, to be drinking too much, like most Australian politicians, but I gather that he has firmly checked this habit lately.) He then went on to say, in the most direct language, that he considered that I would be by far the best Leader of the Labour Party, and that I had gifts which none of the others possessed. He understood, in particular, that my relations with the Trade Unions were good. He said he supposed, looking at me, that I was about 50. I said I should soon be 57. He said "Well anyhow, you look quite healthy. You ought to have another ten years of public life in front of you." -I said that it had never been one of my ambitions, at any rate since 1931, ever to be the Leader of the Labour Party, though I should like, if the chance came, to be either Foreign Secretary or Chancellor of the Exchequer in a Labour Government with a strong Parliamentary majority. He persisted, however, in his view, and added "If I were you, I should seriously consider the question of coming out of the Government if some good reason presents itself. Of course you can't and shouldn't do it until the big operation has been launched and is well under way. But there would be a lot to be said for your crossing over to the other side of the House before the Government breaks up and before there is a general election." It is not good that it should all be left to Shinwell, and it would help your personal position a good deal if you came out by yourself for some good solid reason. And I think you

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might easily find one."

I have put down what he said for purposes of record. I thanked him very much for speaking so frankly and said I appreciated the personal friendship which had made this conversation between us possible. I would certainly think over all he had said. We must see how things develop. It was not easy to look very far ahead, and I agreed that it would be quite out of the question for any of us to pull out of the Government - except on some most vital pretext - until the war had moved well into its next stage.

I undertook to send him a packet of papers to take away with him - he was due to leave two days later - containing the Labour Party's more important recent policy declarations and also the Government's White Paper on Employment. I said he would be interested to compare the latter with our declaration on Full Employment and Financial Policy, which I confided to him had been written by me.

An impressive person. His visit here will have taught him a lot. I shall certainly, if the chance comes, keep in touch with him. I notice that, of his own colleagues, he spoke most warmly of Chifley, and next of Forde, but neither he nor Shedden spoke well of Evatt, whom he obviously thought to be much too clever, ambitious and disloyal.

26. 5. 44.

Mild row with J.A. at meeting of L.P.'s Cttee. J.A. is suggesting that arrangements for transfer of staff from one Department to another should be looked after by an official committee with a Treasury Chairman. This, he says, is "not to interfere" with existing inter-departmental arrangements, unless these result in deadlock. I say that I should like this to be more clearly put into the paper, since it would be quite wrong for Ministers,

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or their Permanent Secretaries, to be prevented from discussing staff transfers with one another and making arrangements. I then say, addressing C.R.A. in the Chair, that I remember how helpful he was when I invited him to dine with me in order to arrange for the transfer of P.L. from the D.O. J.A. rather raised his eyebrows at this, and I went on to say that I did not want to be told in future that arrangements I made with my colleagues had to be held up pending consideration by "some committee of officials sitting at the Treasury". Whereupon the Chancellor, getting, to my surprise, very red in the face and raising his voice, exclaimed "If Ministers are not prepared to co-operate, I shall withdraw the scheme. I have tried to make it quite clear that the ordinary inter-departmental arrangements will go on." He is very official-minded still.

Leave in the afternoon with J.W. for Diss. We go by car, in view of the difficulties and doubts about trains. We dine out in the garden in the evening and J.W. produces some Cuban rum, very pale and old, which he brought back from his recent trip.

DIARY27. 5. 44

A very good day in the Forest. The party is led by Connell, the Commission's Divisional Officer, who lives at Cambridge. Very keen and quick. He answered every question put to him during the day, except why the Commission had not yet established a pub in their village of Santon Downham. The rest of the party was John and myself, ffiske, and an old bird called Glassen, a retired Indian Forestry official. Thetford Chase contains now about 100 square miles of growing forests, in addition to a considerable area of bits and pieces not yet planted. The bulk is Scots Pine of various ages, some dating back to 1920. We see also some Corsican Pine and a little Douglas Fir, the latter growing exceptionally well. We lunch at the end of a great avenue, planned to be five miles long, planted in King George V Jubilee year, designed to take a carriage way in the centre, and skirted by thick belts of mixed beech and birch. Unfortunately, lots of this has had to be allowed to be smashed up by troops in training. We see also some beech and larch, but this is not doing very well, in contrast to what I saw on the Sussex chalk. Practically all this area is closed to the public at present, but the Commission have it in mind to open soon a National Forest Park in a section of it, when the trees have grown sufficiently to reduce the fire risk. We spend an hour at Santon Downham, a little village just in Suffolk, where, before the Forestry Commission took it over, there were only 30 inhabitants. Now there are 180. All the grown-ups work for the Commission, who have purchased the whole thing, done up the houses, built some more, pulled down the "Old Hall", which was said to be very inconvenient and architecturally uninteresting, and turned the outbuildings into store houses for seed, which is extracted from cones, etc. and distributed from here to all the regions in England. A very impressive little community. Connell also says that

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the Commission has added £30,000 a year, through its wages bill, to the money spent in the shops in Thetford and Brandon. He says that several of the large land owners dislike the Commission and have made difficulties about selling land. Lord Iveagh even went so far as to offer twice the market price (£4 as against £2 an acre) for a large tract of very poor land which the Commission had practically arranged to buy from the estate of a neighbouring Peer - I think the Euston estate - merely in order to keep the Forestry Commission out. It is quite clear that this large area should be rounded off by taking in a lot of these Noble Lords' derelict land. It is also born in upon me that the complaints being made about the quality of home-grown timber - which themselves are much exaggerated - can relate only to the bits and pieces grown by private enterprise before the Forestry Commission got started. In the next decades there will come into the market large quantities of standardised timber grown by the Commission.

I shall write to Roy Robinson praising Connell, and J.W. will arrange for a copy of this letter to be sent to the latter, alleging that he has appropriated it, without my knowledge, from my files.

28. 5. 44. (Sunday)

Stay in bed till lunch time, sleep in the garden in the sun in the afternoon, walk down to the local Bowls Club for a drink and a chat after tea, and go to bed early. A perfect lazy day.

29. 5. 44.

Visit, with J. and E., Lord Fisher of Kilverstone, near Thetford, a queer old Peer, probably the younger brother of Jacky Fisher. He seems to have married some American dollars and to have reconstructed this old house.

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He collects Dutch pictures and Dresden and Chelsea porcelain figures. He is also a pioneer in the cultivation of asparagus. We are shown, at rather tedious length, all these things, and the old boy, who is very eccentric and a bit dirty - spending most of the day in the asparagus packing shed, grading his "giants", in which he takes special pride, his "extra specials", "specials", and the smaller things which he only regards as "pig feed" - draws our admiring attention to his various manures, (1) bulls' blood mixed with disintegrated shoddy, which is quite hot to the touch when one digs one's fingers more than a few inches into the heap, and (2) the salt in which kippers have been kept, many pieces of disintegrating fish still forming part of this supply. I was rash enough to stick my fingers into this as well and then to wipe them on a handkerchief, which continued to stink out the car until we got to Diss and I was able to throw it away into a corner of an outhouse. This old bird is said to have planted half a million trees in this neighbourhood. It was amusing to see him once, but it would be a crashing bore to do it again. Still hot, we three dine out of doors.

30. 5. 44.

To Norwich by car with J. and E. and board the London train there. It is immensely crowded and the day is hot and the train more than an hour late!

This afternoon first meeting of the long-age-instituted Switch-Over Committee, the "nuclear" members of which are only four, W., O.L., E.B. and myself. But there are some six or seven others present to-day. Primarily we meet to consider a paper on disposal of Government factories, and make quite good progress, the role of the Board of Trade being emphasised, and also the "principle of selection" as against competitive bidding. E.B. is very active and helpful on all this, and so, provided it is understood we are now only dealing with the

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period up to the end of the Jap war, is O.L. It is insisted that the Committee must have before them full particulars of what and where all the Government factories are, and I am asked to prepare and circulate such a list. This is admirable. It is then thought that we shall consider the thing region by region and see what should be switched over. W. is to make a paper for the War Cabinet, getting authority for us to push ahead with all this, including the setting up of a permanent Ministerial Committee to carry out the whole Location policy. Ministers, evidently much encouraged by the good reception of the Employment White Paper and by the Whitsun sun, seem much more than usually anxious to get a move on.

Take D.J. to dine and discuss, without revealing to him just where my discussions with A.O. have got to, the future of our Location policy. He thinks it is quite clear, if I had not been so persistent, nothing very much about this would ever have got into the W.P. He is now both very well informed and very keen about the whole thing.

31. 5. 44.

Reconstruction Committee on T.& C.P. Slow moving and little agreement.

Sir C.Hambro to see me. He is just going back to Washington, where, inter alia, he will act for me, with Helmore, on the Anglo-American Joint Exports Cttee. We speak a little of the war. He thinks people have been standing a little better than, say, a month ago, the strain of waiting for the invasion. This strain can't last much longer now. But he fears that people may be expecting too quick results from it, when it does start. Short of a disaster, such as the driving back of, say, our first six Divisions into the sea - which he and I both hope can be ruled out - there will be risk of much public disillusion at slow progress. It is, as we found at

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Anzio, one thing to make a bridgehead, and quite another to enlarge it rapidly.

Further talk with A.O. about new Location Section, at the end of which I bring him to acquiesce in my own view. There is no other candidate now in the Board of Trade, apart from D.J., for the new P.A.S. post, and A.O. has no other name to propose except Beer, to be brought back from M. of S. I repeat that I can't agree to anyone acting, particularly in a Section in which I take so active an interest, as P.A.S. unless I know him and have seen him in action. I repeat, for the third or fourth time, the virtues of D.J. A.O. thinks that both D.J. and P.W. are "positive" and that perhaps someone who is more of an "administrator" to work with P.W. would give better results. I don't agree with this, but again repeat that I want Palmer to keep a general eye on the whole thing and that I think that he would supply whatever qualities of caution and Whitehall knowledge are needed to restrain these other two wild horses! A.O. had suggested, at the beginning of the talk, that Helmore might join us to explain the administrative requirements, but I resist this, saying that I do not wish to discuss the merits or demerits of the people concerned in front of Helmore. A.O., at the end, asks me to say a word to P.W., which I undertake to do.

Dine with Crossman, not quite physically recovered from his illness, though, as usual, full of mental energy. He is very anxious now to get to Germany with P.W.E., and is full of ideas as to our buying up or otherwise taking over German radio stations and film industry. This, he thinks, will be the only way to "re-educate" the Germans. I ask him to discuss this with H.G. He says a good deal about the nonsense of the American official attitude towards France and their refusal to recognise or deal with the F.C.N.L. Roosevelt and Hull are most to blame, no doubt, but our own P.M. is not quite blameless. So it looks as though, when the

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first landings take place, no authoritative French voice will speak to the French people. There is trouble now about de G.'s proposed visit to this country, owing to American refusal to participate officially in the talks, and it therefore seems that de G. will, in any case, arrive too late to be of any use for this purpose. No-one, therefore, will be in a position to give orders to the Resistance Movement in France to help us. (I am not sure that this matters as much as D.C. says, since I cannot imagine the French Resistance Movement doing anything else.) D.C. says he quite understands why so many Civil Servants, Permanent and Temporary, despise Ministers and are always trying to do things which they think ought to be done, without letting Ministers know, for fear that they might try to stop them. He says that, as regards his two present Ministers, A.E. "has no moral courage" and always tries to dodge difficult questions, and that B.B. is an utterly contemptible character, who takes no real interest in his job and whose answers to Departmental questions in the House bear no sort of resemblance to the truth. He is always looking, likewise, for ways to keep out of trouble and is trying to acquire cheap popularity by repeating that he is the first Minister who, when the German war is over, will close down his Department.

1. 6. 44.

See Warter and tell him that Jay is to be P.A.S. and work with him, both to keep in touch with Palmer. He is quite agreeable to this, though apparently the idea had been put into his head that there was some distinction between "executive" and "administrative" functions, and that some Permanent Civil Servant would be required for the latter. When I said that the other man who had been suggested was one of those who had given official Board of Trade evidence to Barlow that nothing could or should be done about Location, he made a wry and surprised face.

/Reconstruction

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Reconstruction Cttee. on T. & C.P. W.S.M.'s Draft W.P. is again slowly considered. Much argument about betterment and compensation and what is meant by "a change of use" of land. If some small, mean shops are pulled down and replaced by one large store, is that a change of use? "Oh no", said W.S.M., quite pat. This started a commotion. It was pointed out, that there would be very little betterment at this rate and that J.A. would never get his better^{ness}-income and his compensation-outlay to balance. A little later the point was raised whether, if a few small, mean dwelling houses were pulled down and replaced by a block of flats, that would be a "change of use". "Oh yes", said W.S.M., equally pat. Then a long wrangle to show how his two answers were inconsistent. Someone is to draft a new definition of "change of use" for the next meeting. Then a fuss over the 80% charge for betterment. Selborne, who comes here not as M.E.W. but as landlords' advocate, says it will remove all incentive to private owners to better their land. E.B. then makes a speech against the old Enclosure Acts, saying that none of the landowners who stole the people's land paid them any compensation. He then nudges me and says "That got him between the ribs. His family enclosed most of Hampshire. He won't have anything more to say now." Nor had he! Meanwhile, Willink, eager as Minister of Health to get something agreed for his Local Authorities, said that of course Selborne hadn't been in at any of the previous discussions and didn't really know the arguments. Then W.S.M. said that in the 1932 Act there was a 75% betterment charge, though the procedure was so elaborate that only four claims for betterment had been lodged and only one had succeeded! "And that" (i.e., the 75%) "was passed by a Conservative Government". E.B.: "And now you have got a Coalition, you think the Labour Party's worth an extra 5%". He also said, very sensibly, several times, that all this complication showed that the only easy way of handling this was for the State to acquire the lot. C.R.A. raised a number of points, obviously from a brief by Durbin, and

E.

/E.B.

E.B. muttered to me "Why doesn't he send these in in writing? This thing is becoming just like a Debating Society".

Several of us wondered whether, and said so, we should not tell Parliament that Ministers couldn't agree about all this. Having got on so well with Education, Employment Policy and, prospectively, with Social Security, we could afford perhaps to disagree about this one and let it be postponed. The only trouble is that the Local Authorities must be able to buy land. And here comes in another difficulty, just not reached this morning, i.e., the procedure for compulsory acquisition. I am clear that we must press for something much quicker for blighted, as well as blitzed, land. I give notice that I will raise this next time.

Hinchliffe, of the Manchester Chamber of Commerce, to see me. Rather discursive, but, when I say that I am disappointed that there is so little in the Streat Report, he says that, on the other hand, he thinks it was a wonderful thing to have got all those people to sign anything. This had never happened before in Lancashire. He thinks my line should be to compliment them and ask them to go on and work out more in detail the various problems they raise. (It occurs to me that he may have been deliberately sent by Streat to say this.)

With Durbin to Premiere of "This Happy Breed", life from 1919 to '39 in a small suburban villa. I thought it very good and very moving.

DIARY2. 6. 44

Sir W.Preston to see me with Warter. He has been very keen to get Chadderton for an extension of his textile machinery production (Platt Bros.). But he has now been persuaded to shift his interest to the M.A.P. factory close to Blackpool. This would do very well, though the Mayor of Blackpool is said not to wish to have any industry in the town! I said that we couldn't allow Mayors to determine the policy of H.M.G., and I gathered that this particular factory was a couple of miles outside of Blackpool and Sir W.P. wanted to build some houses for key men close to it. All this sounded likely to improve the industrial balance of Lancashire.

Assemble my new Location Squad - Palmer, Warter and Jay, and, with A.O., discuss broadly the new arrangements. I think they make a good trio - this wiley and experienced Permanent, who has so surprisingly high a reputation in Whitehall and with Ministers generally; this distinguished young business man, and this brilliantly able and dynamic Temporary - Socialist, Economist, and Fellow of All Souls!

I take away a mass of notes and documents on Location to W.L.

3. & 4. 5. 44

At W.L. working mainly on Location. R., during her recent visit, has performed, as she warned me, some "drastic operations" in the garden. She has cut down the beeches outside the kitchen to half their height. But this both gives more light and will make them grow up much bushier at the bottom. She has also decapitated two birches near the gate, but this again will be for their good! She says she had some very good sun-bathing and has certainly come back very brown and fit-looking after this long-delayed break in the country. She has also

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done a great tidying up of the books, including Hansards, which I recently moved down from the cottage up the road.

5. 6. 44

Back from W.L.

Reconstruction Cttee. on Town & Country Planning Bill and W.P. for two hours this afternoon. We seem still pretty badly stuck. Selborne appears to-day, since he has strong views about justice for landlords and, though not a member of the Committee, claims the right to raise this in the Cabinet. He thinks landlords should have the 1939 prices increased in proportion to the fall in the value of money. He gets no support, and E.B., H.M., W.J. and I all say that if this is going to be reopened and if he, as he says, desires to record his dissent, then so do all of us and will press again for the 1939 ceiling with the right to L.A.s to buy compulsorily below this if this accords with recent prices in the area.

We then pass to procedure of acquisition, and I urge that this is still dangerously slow, except for blitzed areas. W.S.M. gives some not very convincing figures designed to show how quick it will all be, but these are a bit criticised, and the point is to be looked at again.

Molly Hamilton to dine at the Acropolis.

6. 6. 44

The Invasion of France began to-day at first light. It is very hard to think or speak of anything else. But I have, very unwillingly, to give my mind to preparing my speech for the H. of C. to-morrow on Location of Industry, which is being raised on the B. of T.

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vote. I spend all day on this. As usual, the trouble is that one has, not too little material, but much too much.

7. 6. 44.

B.B. says that the P.M. is very tired - and who can wonder? de Gaulle was got here just in time to be told about the Operation before it began, and to speak on the air to France. The Americans have been quite intolerable over this. Recently we have indications that Hull does not share the President's unyielding distaste for de Gaulle and the F.C.N.L. But there is also evidence now that the President himself is preparing a move in de Gaulle's direction. And, therefore, it is very important that we should not sit at the end of a bough which we might suddenly find the President was sawing!

Discussion on Location in rather a typically Parliamentary day. I make a long and, I fear, rather uninteresting and unincisive speech. It is largely in the form of quoting, summarising and commenting on successive paragraphs of Chapter III of the Employment W.P. I am more than usually conscious of the difficulty of Coalition Government and of using language which will not lead to an uproar on either side of the House. There must be compulsion on employers regarding Location - at least negatively, through refusal of building permits if necessary - but there must not be too much compulsion, and there must be inducement and discussion as well. All this is difficult to put over. C.W., winding up, makes a pretty poor speech, giving the impression of not really knowing his stuff - though he had worked hard at it and thought he did - and at one place quite losing his way. But no great harm is done.

Dine with D.J. and Geoffrey Hudson, Fellow of All Souls and great authority on the Far East. He is now temporarily with the F.O. He confirms my impression that China is in a pretty good mess and has not very good

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prospects of political unity or economic progress after the war. (It will be much better to give long credits to Russia than to China.) The Americans, he says, who have always been inclined to be most sentimentally pro-Chinese, are now changing their attitude - at least their military people are - owing to the frightful inefficiency and corruption which they discover. Cases supposed to contain American arms for China are found, when opened, to have been filled by Chinese, at some stage in the journey, with cosmetics instead, since these, apparently, fetch good prices. Chungking leaks straight through to Japan, and that was the chief reason why the embargo on diplomatic correspondence was necessary. It was really directed more against the Chinese Embassy in London than anyone else. (Further, Chinese cypher is the most easily broken of any.) The Chinese "Front" against Japan is very remarkable. The British Military Attaché went up to it the other day and spent a night at a Chinese Divisional Headquarters. They had run out of beer and therefore the Chinese Divisional Commander sent a messenger across to the Japanese Quartermaster commanding the battalion on the other side. He regularly bought his beer from them. The messenger returned to say that the Quartermaster's Store was shut for the day. He was then sent back to tell the Japs that it was most important that they should produce some beer to-day, since an important British military personage was their guest. The beer then arrived.

There is also the issue of Chungking versus the Chinese Communists. This "war" also seems to be pretty eternal. There is no love lost between Chungking and Moscow and some fear in Moscow that the Americans may try to get China completely under their thumb after the war and use her as a base against the Russians. It is not quite clear, G.H. thinks, where the interest of Russia would lie as against Japan. Probably it would pay Stalin very well, immediately after the German defeat, to offer to join in against Japan or not, according to the British and American attitude towards his claims in Europe and elsewhere. The best part of the Japanese Army is now in

Manchuria, and it is these which would clash with the Russians if they came into the war. The latter, therefore, will no doubt carefully count the cost of coming in, particularly as they will be pretty exhausted at the end of the war in Europe.

There are two schools of strategy in the U.S., the Chinese School and the Ocean School. The former believe in making China the base for operations against Japan and arming huge Chinese armies. The latter believe in attacking via the Philippines, Formosa and the Kuriles, depending much more on sea and air than on land troops until such time as the Japanese fleet has been destroyed and Japan itself heavily bombed. Nimitz and MacArthur are both in agreement in favour of the Ocean School, which is likely to be still further strengthened by growing American disillusionment with China.

Many of the Jap leaders, G.H. thinks, are still confident that, even though Germany is defeated, they can at any rate continue to hold Japan, Manchuria and North China indefinitely, though they may have to give up many of their southern conquests.

8. 6. 44

Reconstruction Cttee. on T. & C.P. once more. But this morning all seem in a good mood. We decide that there shall be a new, and we hope a shorter and simpler, draft of the Bill ready next Tuesday. Meanwhile we plough through, and finally pass, the W.P. It is hoped to get both through the War Cab. next week. Now that the invasion has started, it is, perhaps, safer to risk heavy Parliamentary trouble over all this than to let it drag on longer. The poor L.A.s must soon know where they stand for their purchases and developments.

With C.W. and H.G. to meet the Chairmen of the L.P.R.C.s. (C.W. very much upset at having made such a

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bad speech yesterday, and says that he thinks he ought to resign. I tell him not to think any such thing. He had been inclined both to offer me his resignation and to write to the P.M. doing the same. I said he should on no account write to the P.M., and I would not dream, for a moment, of considering his going. We all had our good and bad days. He had had a rather bad day yesterday, but no real or lasting harm had been done. It had come out all right in the press. He mentioned that his son was likely to be leaving for France in a few days. This sort of explanation affects many people's actions just now.) The Local Chairmen look a little surly, but there is no unpleasantness. McCreath is absent, not wishing, I suspect, to face the others.

Lunch with Pickup in a private room at the Dorchester. He gives me a good lunch and is obviously anxious to do something in, with, or for, the Labour Party. He is quite satisfied with the newly formed 1944 Association, but says that this will take very little of his time. He has been talking to Windle and is joining the Local Party at Wimbledon. I advise him also to join the Fabians. Windle has sounded him as to whether he would stand for Parliament. He says he is not very keen on this, since he is over 50. I urge him not to reject the possibility. He would like to be engaged, somehow, on work regarding the organisation of the Party. It is not easy to see just how this can be arranged. He would also be glad, he says, to do some hospitality for the Party from time to time. He explains to me that he has a young and attractive (second) wife who is a very good hostess. He also says that, though not a wealthy man, he is "quite comfortable".

It is never very easy to deal with approaches of this kind, but I undertake to think them over and we will talk about them again a little later. Going down into the lift, we meet his (second) wife, who is certainly much younger than he is and might indeed make a very good hostess!

/Conference

Conference on U.Furniture. My advisers suggest that I should increase the ration, but I say that this is not the time for that. They say that many of the small manufacturers haven't got enough orders to give them confidence and keep them producing at the maximum. I ask that this problem shall be considered on the basis of no increase in the ration. We might do a little more switching of orders from those who have too many to those who have too few, thereby reducing delays; we might encourage retailers to keep larger stocks and display them, and we might even - this is my own suggestion - do a little stockpiling for the future, the B. of T. itself buying the furniture from the manufacturers.

R. comes to dine and tell me of her start with U.N.R.R.A. She enjoys it very much and is obviously much happier ~~than~~ and better placed there than she was in Manchester. Their office now is in Portland Place, just opposite the B.B.C. She is in the "Areas and Services" Department - they have a curious nomenclature - but this is what she likes, because it is from here that arrangements will be made for sending out "Field Missions" and she is in the section dealing with France, Belgium and Holland. As she said before, her great desire would be to go to France as soon as this is possible. And this may now be much sooner than we thought before the Invasion started, provided this goes well. Her further picture is that she might go on from France to Berlin in order to arrange for the repatriation of all the French now in Germany. These are immense undertakings. She thinks they are getting together quite a good staff. She herself is immediately under Brig.W.Fraser, who was British Military Attaché in Paris, speaks French perfectly, and is very much better to work with than one or two of the rather shy young F.O.people who appear to have been brought into this section of U.N.R.R.A. She mentions one named Alexander. He said to her "You have to be very careful in approaching the Dutch. They are very formal." When she repeated this to Fraser, he said, "Nonsense. That only means he doesn't know Van Kleffens personally. I can go and see him any time." She will

go on staying, for the time being, with Miss Jephcock in Hampstead, which is very convenient. We speak also a good deal of political prospects and of how things might develop here.

I give her a copy of "Poems from the Desert", some of which I am sure she will like. We talk also a good deal about various younger people, here in the B.ofT. and elsewhere. I tell her that D.J. is doing very well and that I have just procured his promotion (I signed a paper dating this as from Monday last). She says they have very good reports by Health and other technical advisers on conditions in Europe, and the question of when U.N.R.R.A. takes over from the military is just now a very live one. Leith-Ross, she says, is really only primus inter pares. He, however, takes the Chair at Administrative Meetings attended by his American and Russian colleagues. All three of them have the title of D.D.G. She thinks it is a great mistake that Salter should have resigned from U.N.R.R.A. and come back here with nothing special to do. Quite a long, detailed and interesting description. I am sure she will do it all exceedingly well, and her heart will really be in it.

DIARY

9. 6. 44

Sir B. Brooke to see me to ask that Northern Ireland should be classified as a D.A. I say that I will do what I can for him, but it would be both impossible and politically unwise to add N. Ireland to the four principal areas which are mentioned in all my letters to enquirers. I should certainly have Lancashire on my tail, and a few more areas as well. So far I have been very fortunate in not having to say too much in public about where these areas are.

G.J. to dine. He is rather tired and discouraged by the failure to get rational consideration of post-war foreign affairs. He blames the P.M. for this. He won't leave things alone and his interventions, in this particular field, are romantic and ill-judged. An old autocrat surrounded by bad advisers! Instead of getting down to sensible detailed discussions - if he must meddle with detail - he spends literally hours monologuing about Tito and various partisans and bandits of all sorts all over Europe. He has all this quite out of proportion. On Spain it is quite natural that a commotion has arisen as a result of his praise of Franco and the Spanish Government. It was all totally unnecessary, but he made it up at 2.30 a.m. on the morning of his speech and the F.O. didn't see the draft until about an hour before it was to be delivered. They did their best to tone it down, but with hardly any success. Then again his speech was much warmer towards the Italians than towards the French, and this again was very ill-judged. As to the French, there is really no sensible alternative to recognising de G. and his committee. Eisenhower, to whom has been given the ungrateful duty of deciding which Frenchmen to co-operate with in France, is himself strongly in favour of recognising de G! This is a most ironical and stupid situation, which may be cleared up as we move forward in France, but which should never have

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been allowed to arise in this form. It is primarily due to the strong feelings of the President, and to a lesser extent of the P.M. G. hears that Bracken, for once, is taking the right line on something in his private advices to the P.M. and is urging that de G. should be recognised. It has, in particular, been quite fantastic to print these new French currency notes without even the superscription "Republique Francaise."

The American reporters have been very indignant because they have not been allowed to cross to France in larger numbers to witness what one of them described as "the greatest event in human history since the Crucifixion". To which someone made reply that that particular incident was very well and fully covered by only four reporters.

10. & 11. 6. 44

Stay in London, feeling that it is wrong to travel just now, and polish off miscellaneous arrears of private correspondence, of varying degrees of importance, and start reading up papers and books on iron and steel. My strong impression is that this last industry is both inefficient and sinister, and that it is my duty to do something about it. But I am not quite sure what!

12. 6. 44.

Meet at lunch with Mrs P., Schoenfeld, American Chargé d'Affaires to the Allied Governments in London. He is an S.D. man and has a smooth manner, but is really, I think, very stupid. He has some queer preconceived view of the British being less "democratic" than the Americans, because, he thinks, our people are prepared to leave everything in the hands of "a small group". In other words, we don't stand up for ourselves and think for ourselves to the same extent as Americans. He is very confused as to what the "small group" is composed of, but

/I think

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I think he really means a few hereditary Peers. (All the old standard arguments against hereditary titles are reinforced by the fact, which is constantly being impressed on me when I talk to Americans, that much more significance is attached to this rubbish in the U.S. than here, and that we are all thought to be still dominated by Dukes, by Earls, and bossed by Barons!) Then he seems to shift to some conception of a group as "possessing advantages" and charges both me and C.R.A. with being part of the "group" in this sense. But when we point to H.M., the third member of the party, and tell S. that he is the son of a policeman and never went to a secondary school, the argument seems to break down. I then explain that in the County of Durham all the public affairs are indeed in the hands of "a group", but that this principally consists of Durham miners, and that highly educated and wealthy Conservatives greatly resent this state of affairs. But at this point Schoenfeld says that I am misrepresenting his argument. He also seems very surprised that we are not more sensitive to his charge, which he seemed to think was a rather crude and indelicate one for a diplomat to make. Mrs P. says that he must come and meet the members of the T.U.C. I urge him to do this, saying that in America there is no equivalent of our Trade Union leadership.

Dr Bicanic to see me. He is strongly pro-Tito and hopes soon to go back to Yugoslavia. He would like to take a message from the Labour Party in support of Tito, and of resistance movements generally in Europe. He clearly thinks that we should have put some reference to this in our recent declaration on the International Post-War situation. I explain that, since this deals with post-war, it would be equally out of place to have said anything much about either the resistance movements or the regular armed forces. But I add that there is no reason at all why, if it would do good, we should not issue some separate salutation to the Underground Movements and that I will raise this next time our International Sub-Committee meets. But in some cases it may be awkward if there are competing, and even fratricidal, underground movements in any one country.

/Export

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Export White Paper. Further conference on endless stream of telegrams passing in both directions between ourselves and Stirling on this. It now looks as though we were getting reasonably near to a tolerable settlement. Beale is much less inclined to go on making difficulties and concocting long telegrams than even the best of my officials. He says the Americans have double-crossed him on one or two points and that they should be told that we may not be able to carry out what they now ask. But, having said this, he would sign and finish with it.

J.W. dines in with me and we have a long talk, making up for considerable arrears while he has been in W.I. and since. It is in my mind to make Adams (who is most delighted with his O.B.E.) an official Board of Trade representative in West Cumberland. He would not be paid a salary, since this might raise difficulties, in view of his present position, but we would be able to give him an allowance for expenses, which he would probably prefer. J.W. and also discuss H.M. and his affairs - he was staying at Diss last weekend.

13. 6. 44.

Useful talk with my Location Trio, beginning with Castle Bromwich - one of the best factories in the Midlands which it would be a mistake not to use for post-war production, particularly as this would show that I was not adverse to reasonable industrial developments in Birmingham. We also consider the case of Norwich, where most of the principal industries have been wholly or partly blitzed, and there is a general inclination to leave the city and go elsewhere. If this were allowed, it would mean bad local unemployment and general distress in a city which has many merits and has been much improved in recent years. It would also mean a setback to the existing "diversification" on this East Anglian area which, given the pre-war industrial structure of Norwich, was good and well balanced. Therefore, it is clear from this case, and

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there may be others like it to follow, that our location policy will sometimes require deliberate resistance to changes in location in certain already developed areas.

Streat comes to see me and I afterwards dine with him, along with Watkinson and MacMahon. I have deliberately let Lancashire, and Streat, stew in their own juice for sometime, and now, I think, he feels the time has come to climb out of the stewpan. He has therefore concocted a letter, which he hands to my officials, which he thinks that I might write to him, inviting him and his Committee to continue their work and telling them that I don't at all like minimum prices and that I expect to see progress made on other lines. He is, I gather, very jealous of Platt's constant access to me and my officials and is vaguely conscious that other people also come to see me, and that to none of them do I say "This is a matter which you should discuss with Streat". Towards the end of the evening he gets quite worked up about this and is almost saying that he will have to resign if we go on dealing, independently of him, with people who think they have bright ideas about cotton. We all three tell him that this is an impossible position and that a Minister must be free to talk to whom he likes and should not refuse to hear anyone who seems likely to be helpful. Before dinner I had raised with Streat the question of his going on as Chairman, and said that I would like him to, though without any excessive emphasis on this, and he said that he would be glad to go on. Later, however, he informed us that he had already had two offers both more attractive than the Cotton Board, though he had refused them both. I don't, in fact, see anyone else at the moment who would better him in this job.

W/

Leaving Streat with my two officials, I go on to a meeting at 10 p.m. of the Reconstruction Cttee. on T. & C.P. This is, we hope, the final meeting. There is still a disposition to reopen any points of detail, but W. in the Chair resists this fairly stoutly and insists on "going round the table" for final comments. Nearly everyone of us says that we don't like either the Bill or the White Paper and that we are sure that it will lead to great trouble in

/Parliament

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Parliament and in the country. None the less, we are all disposed now wearily to accept it. I say that I attach importance to the Foreword to the W.P., in which it is made clear that the Government is not tightly committed to these proposals but is putting them up in order to "focus public discussion" and to "assure itself that there would be a substantial measure of support" for something on these lines. I say that we don't want a lot of votes of confidence growing up out of this. And so the wretched thing is launched once more towards the War Cab.

14. 6. 44.

See Woolton and leave with him my Departmental paper on "long-term prospects of British industry". This paints a very gloomy picture and I say that my idea is that it should, in the first instance, be shown only to three or four of our colleagues and then that we should consider remedies for this most serious state of affairs.

We decide, after long hesitations, to institute another prosecution in London of Civil Defence workers who have refused to give in coupons for their uniforms. J.W. is much troubled by the local position in Lambeth, where an earlier prosecution, incompetently presented, failed, and where, as a result, all the Civil Defence workers are being incited to refuse to surrender coupons and to cock snooks, when they pass him in the street, at the unfortunate and, as it would appear, somewhat pompous and self-opinionated, Town Clerk. I myself had been reluctant to prosecute, because I feared that prosecution might coincide with heavy air attack, in which some Civil Defence workers would be, and all would be liable to be represented as, heroes. I did not think it would look good for a man to appear in the Police Court in the morning and be fined for violating one of my regulations; and then to go on in the afternoon to Buckingham Palace to receive a George Cross! Now, however, the argument for having another prosecution is overwhelming, and the Home Office are very insistent that we should.

/Conferences

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Conferences in the afternoon (1) on possible extension of facilities for disabled ex-Servicemen to start up shops, thus attenuating a bit further L.R.B.O., and (2) with Citrine and a few members of the G.C., in pursuance of our arrangement to have a meeting of this kind every two months. Most of the talk this afternoon is on Location, and I explain the W.P. I am more than ever determined that I will deal with the T.U.C. myself, though there is no objection to officials seeing particular members of the G.C. (e.g., as arranged this afternoon, for D.J. to see Arthur Deakin and get some ideas for improved communications for the D.A.s). But I will not have the officials of the T.U.C. meeting my officials, as the former would so much like to do. Woodcock this afternoon had clearly been inciting Citrine to complain because there was no T.U. representative on my Patents Committee. I said that this was all very technical and that the Committee consisted almost wholly of lawyers and scientists. But then Citrine asked "What about Mrs Robinson?" and it was clear that Woodcock was jealous of her being appointed. Any member of the G.C. would be completely out of his depth in this Committee, and Thompson, whom I have put on the much less abstruse Company Law Committee, practically never attends.

15. 6. 44.

Meeting on "Long-term Prospects for British Industry". This is attended by all my Business Members as well as a number of officials. The heavy concensus of opinion of the Business Members is that the gloomy picture is correct, though Peter says it is too gloomy on Engineering, and Cunliffe thinks that Aluminium is not so bad as is suggested. I head them off from much discussion on possible remedies, saying that these should be considered separately and later. It is useful to have got them to admit so much.

Lunch at Courtauld's office and see an exhibition of staple fabrics. These look very good to me and I am

/told

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told that there will be great export opportunities. I hope so.

War Cab. to consider T. & C.P. Bill and W.P. Finally it is agreed that both shall go forward, but not till after further wails by Selborne, very loudly and persistently, and by Cranborne, less plangently, on behalf of the poor landowner, who is having his property compulsorily taken from him at the values of four years ago, without any adjustment to correspond to the fall, since then, in the value of money. C.R.A. also reports from the Legislation Committee that the Lord Chancellor and the Attorney General think the provisions regarding landowners will be thought most inequitable and will not be capable of effective defence. The rest of us, however, all stand firm and, to my surprise, the Beaver, when invited to express an opinion, warmly supports both the Bill and the White Paper and says that he would have no difficulty in defending either of them in the House of Lords, and this, of course, finally settles it and satisfies the P.M., who before had had doubts. It is becoming more and more visible, with each succeeding week, that the P.M. will swallow anything which both the Beaver and Cherwell support. He becomes visibly more and more dependent on these two and less and less interested in the opinions of others. Even O.L., who was at one time always treated as the expert on business questions, seems much less in favour now.

Talk later in the evening with Salter and his wife, with whom I go back to the Connaught Hotel, where they are still living. They speak very ill of Ben Smith, who, they say, has not got a real job to do at all, made himself ill by eating and drinking too much, and used to try to entertain Americans by telling them a lot of very dirty stories. This, Sir Arthur and Lady Salter say, is not the thing to do in Washington. Salter adds that there never was a job for Ben Smith's predecessor, and that, if I will cast my mind back, I shall remember that it was only invented when it was desired to get him fixed up somewhere else because he was making such a mess of M.A.P.

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and because something had to be done for Cripps. Salter says that, across the water, the P.M. stands out much more clearly in his essential character than he does here, and it is widely known and said in the U.S. that he is tres mal entouré. Salter will not long go on, he thinks, with U.N.R.R.A., but for the moment he is looking into its organisation, which needs much improvement.

To-night we have a lot of pilotless aircraft flying round. We had a few a week ago, but this was treated as a dead secret. This time the public are to be told the truth, and H.M. makes a statement next day in the House. Our first impression is that they are not really very serious and certainly they cannot be aimed with any great precision. But they may well be something of a nuisance in the next few weeks (until we have occupied the Pas de Calais, as Little Arthur says to me).

D I A R Y.

16.6.44.

Lunch with Sir George Nelson and various British business men interested in Russian trade to greet Borisenko who is leaving on a short visit to Moscow, and two of his colleagues. P.L. comes with me. A number of speeches, including one by me, full of Anglo-Soviet goodwill.

Dine with J.W. who has spoken well to-day in the House on 18 b. He thinks he has retrieved his reputation this time, and received a message that both the P.M. and H.M. thought he had done well. Last time he was too much tied to his notes.

I was told the other night, the story coming from W. Astor, the tale that De Gaulle had a torture chamber in Duke Street, supervised by Passy, where the victims were those Frenchmen who had been too intimate with the British. I must say that this seems to me a very tall story. But he made the very sensible suggestion that we should have taken the opportunity, if we did not like De Gaulle well enough to recognize him, to recognize the group of French Parliamentarians, drawn from all Parties, who were over here about a year ago and then went on to Algiers. In fact, however, the De Gaulle problem is likely to solve itself gradually, untheoretically, and in a very English fashion, by no definite act of "recognition", but by the acceptance by the British and American military of De Gaulle's nominees as administrators in the French areas successfully liberated. This is already beginning in Normandy.

17.6.44.

18.6.44.

In London, paying visits to several of the scenes of the Flying Bomb incidents. Their blast is, quite clearly, nearly all horizontal. It is still surprising how few people, as a rule, are killed.

DIARY.

19.6.44.

Forres with his tale of woe about the British railways in the Argentine. It seems that, even now, their Boards are not co-operating. Their octogenarians don't yet realise that they must: (i) come together, and (ii) have an effective executive body, with power to take decisions, resident in the Argentine.

McCorquodale to give me his views on cotton. He doesn't think they will get the labour to go back to the old mills after the war. There will be a very limited supply of juveniles in any case, and much competition for them in Lancashire, e.g. by engineering. The new factories will exercise a great pull, as against the old slum spinning mills and weaving sheds. He is sure that automatic looms must come in on a great scale and thinks that Northrops, if encouraged, could produce these in great quantities.

Conference on cotton with my principal officials, and I have a look at the draft which Streat has made for a possible letter by me to him. It is quite an impossible document. I am at a loss to know what to do with cotton. Meanwhile the months are passing.

20.6.44.

International Sub-Committee. We decide to ignore the suggestions from various quarters that we should go back on our proposal for voluntary emigration of Arabs from Palestine; also that I should draft for the N.E. a salute to the Armed Forces and to the Resistance Movements in Europe.

Executive of E.P.A. decides, after Evans (aloud) and H. Watt (under his breath) have expressed the contrary view, to let D'Egville go back again for a time to Canada, where he has spent the last few years, in view of the importance of keeping their Parliaments sweet and maintaining contact with the U.S. Congress along a half-unofficial line.

Entertain C.W., Drogheda, Rank, Warner, and H.G., in order to introduce my new Chairman of the Films Council to the representatives of the two big fish in the pond. D. is in quite good form, though quiet, but neither of the two big fish splash about much.

21.6.44.

Full Employment Debate, first day. E.B. does very well. If someone else had started it might well have gone worse. Meeting of a few Ministers at the Treasury to consider Keynes' Memorandum on post-war prospects in finance, exports etc. A brilliant paper, designed to shake up the complacent. It is generally agreed that there must be very soon some straight talk to the Americans on our necessities. J.A. thinks that, perhaps, on the analogy of the Battle of the Atlantic, we should hold periodical meetings with special reference to experts. I say that I should be quite glad to have this. I also mention to him our paper on Long Term Prospects of British Industry, of which he will have had a copy last night but evidently hasn't read yet. This supplements the Keynes Memorandum quite well.

Molly Hamilton to dine. I return her copy of "World in Trance" having at last succeeded in getting a copy for myself. She knows nothing about the author, but says that some critics allege that he has cooked and selected the facts to suit his thesis.

22.6.44.

Jamboree on new furniture. After much discussion decide on an ingenious plan to put the maximum ration up from 30 to 60, as it was before, but only to give second helpings to successive instalments of applicants, according to the date

DIARY.

when their application was met. This will give a flexible system, preventing discouragement of manufacturers through lack of orders and also preventing a return of long delays.

Frankell ~~Joint Meeting of Sub-Committee of N.E. and A.C. on discipline. Shinwell and Grenville are missing so it goes quite well. It is agreed we should resist any undue attempt by the T.U.C. to put their oar in at the forthcoming tripartite meeting.~~

Wansbrough and D.J. to dine. The former is still very keen on a factory at Bishop Auckland, and I naturally encourage him.

23.6.44.

Awakened at 2 a.m. by Flying Bombs and one comes fairly close when I am in my bath at 9 a.m.!

Lunch at Soviet Embassy, with Sir Thomas Barlow, ~~in~~ celebration of his services in providing clothing for the Soviet civilians. Gousev still very slow and tongue tied, but it is not true to say that he won't speak English.

Leave for West Leaze with Bob Fraser. Train is very crowded and the morale of some of the passengers is not high. It is sensible that any one not now working in London, should, if they conveniently can, get out and stay out.

24.6.44.

Bob shows great assiduity in mowing my lawn, or part of it. The first time this has happened for years.

25.6.44.

Bob and I take our lunch and walk across to Sugar

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Hill and back via Liddington, skirting Upham and by Woodsend and the Secret Valley, met some Americans who say they like the people but don't like the weather. Everything on the downs looks very different owing to the driving of wide tracks by tanks and other vehicles.

DIARY.

26.6.44.

Dine with Frank Nelson, looking very fit, due no doubt to freedom from worry. Party mostly Air Force, plus Gubbins. F.N. still shows signs of having liked working with me very much.

27.6.44.

Only 34 P.Q's ^{in all}. I think the Buzz Bombs are encouraging members, outside London, to keep in touch with their constituents.

Lunch with Radio Industries Club and make a brief speech praising their war work and emphasizing post-war importance of their industry.

Arthur Deakin and John Brown to see me, at their own request, to talk about tinplate. Both very easy. I explained to them, reading passages from my letters, that I have insisted that the industry must put up positive schemes for new equipment, both hot strip mills and cold reduction plants in South Wales, and I told them how Sir A. Dunbar spoke of the possibility of one of the new hot strip mills being somewhere else.

Talk with officials on Export White Paper. I have complained that there has been too much activity by officials and too little by Ministers on this and that it is high time I made my views known to my colleagues.

Ben Smith to see me. He is getting on all right, I think, in Washington.

Overton brings Stratton to see me. I am quite satisfied that he shall succeed Durston when the latter retires to go back to his own business in a month or two's time. This will bring under one head both the civilian and Service footwear. I liked Stratton.

Peter Fraser gives a Farewell Party at the Savoy,

the guests being a number of "the younger socialistic economists" plus John Maud, Mackintosh (P.F.'s. P.S.) and myself. Many of those present have no opportunity to talk, since in the first phase P.F. is away at the Cabinet and there is a duel between Maud and J.W. on the new Land Bill, in which J.W., after a shaky start, quite holds his own. In the second phase, P.F. having begun on his doubts about the Monetary and Commercial Policy, I get James Meade to make an expose, which he does with great lucidity, but at some length. Then, after a number had gone away, a few remain including Francis Williams and we talk on political prospects here. P.F. doesn't like the two B's. He thinks their influence with the P.M. is increasing, not only as against Labour Ministers, but even more as against the more decent Tories, who have less defence than we against them. F.W., whose relations with Bracken seem quite good, says that he knows there is a lot of intrigue of this kind going on.

28.6.44.

National Executive all the morning and Joint Meeting of N.E. with G.C. and A.C. in the early part of afternoon. Flying Bombs near overhead in the morning make us move down from the pleasant top floor Board Room, nearly all glass, to a stuffy room on the 3rd Floor. But I think the F.B's also help to shorten the speeches, except, of course, Shirwell's. We are to consider, month by month, whether it is possible to hold the Annual Conference. The N.E. accept, with approval and without amendment, my draft message of salutation to the Armed Forces and to the Resistance Movements in Europe.

This afternoon's Joint Meeting is opened by harangue, wholly justified, I think, by Citrine on the lack of discipline in the Parliamentary Party. He complains that Bevan, when he made violent attacks on the Trade Union leaders was not only not dealt with afterwards but was not

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even subjected to any criticism or interruptions at the time. Several others of the G.C. spoke in the same sense and some threatened to come down into the constituencies of offending M.P's. and denounce them. This, of course, is exactly what they ought to do, or better still, work on their local branches in these constituencies. If, as J.W. put it to me, all the T.U. branches in North Lambeth began to pass votes of censure on G. Strauss and threaten to procure another candidate next time, he would soon recur to good behaviour. There is also some chit-chat against Laski, who wrote something rude in some American paper about the Trade Unions being a brake on the political movement, and against Shinwell. Duke said "If I were to make a speech declaring that Laski was not fit to be Chairman of the National Executive next year, I should hit the headlines all right, but that's not the sort of thing I care to do."

The thing ended, as these things always do, quite inconclusively. But I think it will have done some good.

29.6.44.

See Woolton on progress, or lack of it, on industrial questions. He has tried to square O.L. on Restrictive Practices, thinking the latter had not really understood the point last time and had seemed more obstructive than he really was. W. thought it was unfair to ask me and Jowitt (as had been done as long ago as April 29th) to prepare Heads of a Bill until we knew we had some solid support. I also prodded W. on the paper he was due, since May 30th, to put to the War Cabinet on Disposal of Government Factories. He will try to get on with this. He hopes to get Social Security finally through the War Cab. next Tuesday and will then feel much freer. Things are working out roughly according to his time-table. He had been reading my paper on Long Term Prospects of British Industry and said that he began in depression and ended in anger against the business men whose views were there set down. He had told one whom he had met lately that it would give great delight to his

Socialist colleagues to find so little private enterprise in British Industry. This would mean that there was really no argument left against wholesale socialization, which could hardly give worse results and might give better. This, he thought, had startled these business men. "You and I" he said "are really a very strong combination!"

Thence to the Switch.Over Committee to consider my lugubrious paper. Quite a nice small party, W., J.A., E.B., O.L., W.J. and I, with three officials. No one says my paper is too gloomy, though several are clearly shocked by it. O.L. says that there is no reference to rates of exchange. This, I thought, a very feeble comment. J.A. thinks that iron and steel is so fundamental an industry, and there is so much evidence that it is not as efficient as it should be, that there is a strong case for an enquiry. E.B. suggests that we could do something to release designers for new models and proto-types if we develop the existing small official committee, on which Palmer represents me. Finally, "taking" my paper "as read" it is agreed that I shall put in a further paper indicating positive action. I say that I have many ideas on this, having spent much time and effort on the subject, but that I was anxious first of all to let them see how bad things would look if nothing was done. Quite a useful little Committee. I wish we could keep everybody else out all the time.

When composite
Lunch with the Iranian Ambassador, a small and rather deprecating man. His wife is taller and much fatter and has bright red hair and was born a German - I am told - and could not, when she married him speak a word of English. He met her ~~an~~ ⁱⁿ ~~parent~~ in Berlin. I sit next Leathers who tells me how conceited Salter is and how he had had to tell him off, though in the kindest way, and that Salter bored and infuriated the P.M. by writing him long letters explaining how eminent he was and telling the P.M. just how everything should be done. The P.M. had said to L. "I've got another long screed from that damned fellow of yours. He's quite impossible. You must get rid of him at once." And L. said he had told the P.M. that Salter had done very well until

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recently, though he was now becoming persona non grata with everybody, British and American alike, in Washington.

Useful discussion with my Location trio arising out of P.W.'s recent visit to the North-East Coast. I am amused, but rather shocked, to hear that he met and was much impressed by Middlewood, and was inclined to think that we should hand over the administration of the St. Helen's Trading Estate to the latter. I told him very bluntly why this would not do. He also said that Ridley could not bear Wansbrough. I asked why not, and he said that it was because R. suspected W. of being a politician. I said that in that case he must bar out Headlam as well.

Dine, rather against my will, accompanied by P.L., with four money lenders - Colonel Rex Benson, E. Baring, A. Rothschild and Lord Rennell - at the Connaught Hotel. I thought they were a poor lot. They used to be merchant bankers. They lent large sums to Germany and lost the greater part - serve them right! Anyhow, in their line of business, they are always getting commissions and rake-offs corresponding to no indispensable service. Now they want, though with more pretension than precision, to muscle in on post-war export trade and "get groups together" in various industries. I was rather glad to leave them, having, I hope, made no commitments.

30.6.44.

Another long-winded conference with A.O., P.L., Nowell and Tout on the final form of my Lend/Lease Paper. They say that yesterday at the Ministry of Production the officials', with Ben Smith in the chair, "wobbling backwards and forwards like a jelly fish", majority view was that we should sign the new draft joint Declaration and hope for the best. The majority of the officials there are frightened of offending the Americans, though J. H. Woods and Percy Mills, the Machine Tool King, took my view. It seems that Phil Reed has been receiving communications from his buddies in

Washington, egging him on to press us to sign and trust to luck with the new Exports Planning Committee. On the other hand, the Treasury, and rather surprisingly, the F.O. seem to agree with me that we should wait now for the outcome of the "high level discussions", to be initiated soon by J.A. in Washington. From these there might emerge some general statement by the President to the effect that exports were essential for us and this might become a directive to all the wretched underlings who have been making so much trouble for us at Washington. Master Nowell plays his usual part of quibbler-in-chief, but is held in some control by the much more common-sense and practical P.L. But it took quite some time for me to persuade N. that I should say "we are told" rather than "we know" that the Americans have only been restrained from pressing us harder under the existing W.P. because they have been expecting that we should agree to some new Declaration.

Sir A. Salter to lunch with me. He is 63, but doesn't look it, and is giving up his professorship at Oxford in the autumn. He hopes to remain a Fellow of All Souls and to contest Oxford University again at the next election. He takes himself in deadly earnest. He says, though I don't quite believe it, that he has no desire for political office. Nor does he want to tie himself up with any of the political parties, believing that University representation can only be justified if this educated citizen's second vote ~~is~~ ^{not to a} member of one of the main parties, as his first vote naturally would ~~be~~, but to an Independent. I say, and he agrees, that we cannot carry too many Independents in Parliament and that I think such as we have should be "atomistic" and as independent of each other as of the main parties. I should much dislike an organised group of Independents. He reminds me that the French had in their Parliament, among other groups, "the group of members who belonged to no group". This would not do here. 906

He wants, as soon as possible, to be rid of U.N.R.R.A. and then will again speak and write freely. He would like to do some more writing in the next year or two. He is demanding to see the P.M. to ascertain whether the latter really desires

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that U.N.R.R.A. should be a success. If so, A.S. believes that some one Minister must be put in charge with full authority to do whatever is necessary. This Minister would naturally be Dick Law, who then should be a British representative on the European Committee of U.N.R.R.A. But now it is only Ernest Brown, who, in addition to other personal disabilities, is only Chancellor of the Duchy, with no staff and no prestige. If, on the other hand, the P.M. really wants to kill the thing, and leave everything in the hands of the Great Powers until, perhaps, a few years after the end of the war, that at any rate is an intelligible policy, but is contrary to our previous declarations and, if it is the P.M.'s view, A.S. would think it his duty to attack it in speech and writing, as soon as he is a free man again. I rather gather it is part of his intention to threaten the P.M. at the interview he hopes to have next week! We spoke briefly of the "Camarilla" and I said that Chamberwell was much better, though erratic, than the two B's. A.S. said the trouble was that C. was expected to advise the P.M. over an immense range of subjects, most of which he could know little about, thus intervening awkwardly between the P.M. and the responsible Minister. A.S. also said that he had noticed, when at a Cabinet once, that a number of Ministers who, he knew, held sensible views on a particular matter, remained silent or said little when Beaverbrook expressed the contrary view. It was painfully obvious that some of them were anxious not to get into the latter's bad books. A.S. thought that our Full Employment White Paper was an excellent document and told me that Beveridge thought the same. Beveridge, he gathered, would like to be in Parliament, and as an Independent. I warned Salter that he also might run for Oxford University.

Julian Huxley to see me in response to my invitation to join the Films Council.

*He is ill, & American
it. He speaks the
7 minutes. He says
for 5/6. I like it.*

To West Leaze.

- 1.7.44.
- 2.7.44.

At West Leaze, but it rains quite uninterruptedly

all the time, so that I am able to deal with various arrears and indoor chores. This will bring good "growing weather" after the long drought.

(i. D. will come again in 4 weeks, & evening
2am from!)

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